United Nations A/53/170

General Assembly

Distr.: General
10 July 1998

Original: English

Fifty-third session
Item 58 of the provisional agenda*
Strengthening of the United Nations system

Arrangements and practices for the interaction of non-governmental organizations in all activities of the United Nations system

Report of the Secretary-General

Contents

		Paragraphs	Page
I.	Introduction	1–4	2
II.	Institutional arrangements	5–31	2
III.	A growing operational partnership	32–47	8
IV.	Building bridges between civil society and the United Nations	48–59	11
V.	Participation of non-governmental organizations from all regions	60–70	13
VI.	Enhancing the participation of non-governmental organizations in all areas of the United Nations system	71-80	15

* A/53/150

98-20259 (E) 100898

I. Introduction

1. Following the adoption by the Economic and Social Council of its decision 1996/297, by which the Council recommended that the General Assembly examine the question of participation of non-governmental organizations (NGOs) in all areas of the United Nations, the General Assembly, by its decision 52/453 of 19 December 1997, requested the Secretary-General to prepare and circulate for consideration at its fifty-third session a report on:

(a) Existing arrangements and practices for the interaction of non-governmental organizations in all activities of the United Nations system;

(b) The legal and financial implications of modifications in the current arrangements for participation of non-governmental organizations with a view to enhancing their participation in all areas of the United Nations system;

(c) The question of the participation of non-governmental organizations from all regions, in particular from the developing countries.

The present report is submitted pursuant to the request contained in that decision. It is based on the information conveyed to the Secretary-General by departments, agencies, funds and programmes for this specific purpose.

2. The General Assembly's increased interest in the issue of NGOs and their relation to the United Nations reflects the striking changes which have marked these relations in the last two decades. From the 41 NGOs granted consultative status by the Economic and Social Council in 1948, and 377 in 1968, the number of NGOs in consultative status has now expanded to over 1,350. There were 200 NGOs associated with the Department of Public Information in 1968; there are now 1,550. Approximately 1,800 representatives of 637 organizations from 61 countries attended last year's Department of Public Information/NGO Conference. In terms of net transfers, non-governmental organizations collectively constitute the second largest source of development assistance. In December 1997, the Nobel Academy recognized the role of NGOs in the Ottawa process which led to the adoption of the Convention banning anti-personnel landmines. These facts vividly illustrate the universal movement towards greater citizen action, sometimes described as the "global associational revolution", which has characterized the past few years. Other examples abound of the dramatic rise in people's capacity to organize themselves and in the influence exerted by social movements in virtually all areas of concern and at all levels of governance.

3. The activity of non-State actors has become an essential dimension of public life in all parts of the world. Reform and restructuring of the United Nations thus coincide with the emergence of a new participatory international system responding to the forces of globalization sweeping our world. The growing influence and role of non-State actors has been both a hallmark and a cause of our changing international environment. NGOs are the clearest manifestation of what is referred to as "civil society", that is, the sphere in which social movements organize themselves around objectives, constituencies and thematic interests. Other actors, however, have also taken on an increasingly important role in shaping national and international agendas and policy dialogues. They include local authorities, mass media, business and industry leaders and the research community, including academia and think-tanks. With lesser bureaucratic and institutional restraints, all have embraced and benefited from the profound impact brought about by the information and communication revolution. NGOs have been particularly effective in utilizing the instant access to information made possible by new technologies, and have themselves become primary sources and disseminators of information.

4. To varying degrees and with varying rates of success, the United Nations has attempted to adapt to this phenomenon and to open its doors to civil society. This has been most visible in the series of world summits and conferences held in the first half of the 1990s. In their aftermath, measures to strengthen cooperation with NGOs are being taken across the entire United Nations system and in virtually all areas of its activity. The present report aims to provide a comprehensive overview of the present institutional arrangements which frame the relations between the United Nations and NGOs, while also depicting the multiple forms which these relations have taken in practice. It also attempts to answer a number of important questions which have arisen in this regard, such as the need for the United Nations to ensure a balanced geographical representation among its partners in civil society, or ways in which it can respond to the growing demands of NGOs for of access to information and increased participation.

II. Institutional arrangements

5. The relationship between the United Nations and NGOs is not a new phenomenon. The United Nations as a whole derives its mandate to work with civil society from the Charter itself and its opening words "We, the peoples...". Article 71 provides that the Economic and Social Council

may make "suitable arrangements for consultation" with NGOs. For nearly three decades, arrangements for consultation of the Economic and Social Council with NGOs were governed by resolution 1296 (XLIV) of 23 May 1968. In 1996, after a thorough review, the Council adopted resolution 1996/31 which established three categories of status for NGOs. General consultative status is for large, international NGOs whose area of work covers most of the issues on the Council' s agenda. Special consultative status is for NGOs that have special competence in a few fields of the Council's activity. The third category, which is inclusion on the Roster, is for NGOs whose competence enables them to make occasional and useful contributions to the work of the United Nations and who are available for consultation upon request. NGOs on the Roster may also include organizations in consultative status with a specialized agency or other United Nations body.

6. Those NGOs which are granted consultative status acquire certain rights and responsibilities. The provisional agenda of the Council is communicated to all of them and NGOs with general status have the right to place items on this agenda and that of the Council's subsidiary bodies. Organizations with general and special status may designate authorized representatives to sit as observers at public meetings of the Economic and Social Council and subsidiary bodies. NGOs on the Roster may have representatives at such meetings concerned with matters within their field of competence. Organizations in general and special status may submit brief written statements which can be published as United Nations documents and circulated to members of the Council or subsidiary bodies. Organizations on the Roster may also be invited to submit written statements. Economic and Social Council resolution 1996/31 makes provision for oral presentations by organizations in general or special consultative status during certain meetings of the Council. NGOs in consultative status with the Economic and Social Council must report every four years on their activities.

7. The Secretary-General is authorized to offer facilities to NGOs in consultative status, including:

- Prompt and efficient distribution of documents of the Economic and Social Council and its subsidiary bodies as appropriate;
- Access to United Nations press documentation services;
- Arrangement of informal discussions on matters of special interest to groups or organizations;
- Appropriate seating arrangements and facilities for obtaining documents during public meetings of the General Assembly that deal with matters in the economic, social and related fields.

8. NGOs have been particularly involved in the work of some of the Council's subsidiary bodies, including the Commission on Human Rights, the Commission on Sustainable Development and the Commission on the Status of Women. For instance, NGOs in consultative status with the Economic and Social Council participate in the Commission on Human Rights and the Subcommission on Prevention of Discrimination and Protection of Minorities, to which they may make oral or written statements. In accordance with procedures established by the Council and the Commission, NGOs, whether in consultative status or not, may submit information regarding allegations of human rights violations. The Working Group on Indigenous Populations of the Subcommission, attended by nearly 1,000 NGOs annually, has instituted the practice of accepting statements from NGOs, mainly indigenous ones, few of which have consultative status. As required by Agenda 21, adopted in 1992 at the United Nations Conference on Environment and Development, the Commission on Sustainable Development has included representatives of "major groups",[1] including NGOs, in its deliberations. The Commission has also adopted new modalities, such as including NGO representatives on United Nations panel discussions.

9. Consultative status with the Economic and Social Council remains at the core of the formal relationship between the United Nations and NGOs. While no such arrangement has been established by the General Assembly, practice has already evolved to allow a certain degree of informal participation by NGOs in the work of the Assembly's Main Committees and several of its subsidiary bodies. NGOs participate in the work of the Special Political and Decolonization Committee (Fourth Committee) in their capacity as petitioners. In all instances, NGOs have requested permission to petition the Committee and it is in that capacity that they have addressed the Committee or participated in its work. In a similar manner, NGOs participate in the work of the Special Committee on the Situation with regard to the Implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples.

10. NGOs have also participated very actively in special sessions of the General Assembly. NGO representatives addressed the General Assembly at the plenary meetings of its nineteenth special session, held in June 1997, to review the implementation of Agenda 21. Some 1,000 organizations were accredited on that occasion. At the twentieth special session of the General Assembly, held in June 1998,

accreditation was granted to all NGOs with a serious interest in the questions of drug abuse and illicit trafficking, including many which neither held consultative status with the Economic and Social Council nor were associated with the Department of Public Information, but which had enjoyed a working relationship with the United Nations International Drug Control Programme or were listed in the Programme's directory of NGOs. NGOs were invited to make an input into the draft guiding principles of drug demand reduction adopted by the General Assembly at the special session.

11. The United Nations Secretariat's relationship with NGOs is manifold. The functions of facilitating the consultative process with and disseminating information to the non-governmental community are the responsibility of two offices of the Secretariat, namely, the NGO Section of the Department of Economic and Social Affairs and the NGO Section of the Department of Public Information. The main function of the former is to serve as the substantive secretariat of the Economic and Social Council Committee on NGOs, composed of 24 Member States, which reviews NGO applications for consultative status and makes recommendations thereon to the Council. This servicing involves the screening and processing by the Section of all applications submitted to the NGO Committee, a task that is becoming increasingly demanding as the yearly number of applications continues to rise. The Section also receives and processes the quadrennial reports submitted by the NGOs for the Committee's review. It provides accreditation to representatives of NGOs in consultative status with the Economic and Social Council and maintains close contact with the Conference of non-governmental organizations in Consultative Relationship with the United Nations. At the United Nations Office at Geneva, an NGO Liaison Office carries out accreditation procedures and provides other types of logistical or substantive assistance to NGOs in consultative status.

12. The relationship between NGOs and the Department of Public Information is based on General Assembly resolution 13 (I) of 13 February 1946, by which the Assembly decided that the Department and its branch offices should actively assist and encourage national information services, educational institutions and other governmental and interested groups in spreading information about the United Nations. Formal association with the Department was given legislative authority by the Economic and Social Council in its resolution 1297 (XLIV). In cooperation with United Nations information centres and other United Nations offices worldwide, the Department's NGO Section evaluates applications from NGOs wishing to enter into formal association with the Department. A Department of Public Information Committee examines the applications and takes decisions on whether or not to include NGOs in the annual Department of Public Information/NGO Directory. The NGO/Department of Public Information Executive Committee, composed of 18 members elected by NGOs in association with the Department of Public Information, serves as the liaison between NGOs and the Department. Services offered by the Department to NGOs are described in section IV of the present report.

13. Over the years, most substantive departments have appointed one or several NGO liaison officers to facilitate access by NGOs to the United Nations and improve communications between officials in these departments and NGO experts in the relevant fields. These relations vary greatly from department to department and according to the issue at hand. The relations established between the Department for Disarmament Affairs and NGOs are briefly described here as an example. The Department for Disarmament Affairs works mainly with those peace and disarmament-related NGO members of the NGO Committee on Disarmament (a subsidiary body of the Conference of Non-Governmental Organizations in Consultative Relationship with the United Nations based in New York and comprising 56 organizations) and the Special NGO Committee on Disarmament (another Committee of the Conference based in Geneva, and comprising 42 organizations). Collaboration with NGOs focuses on two main areas, namely, (a) implementation of the United Nations Disarmament Information programme in New York, Geneva and in various regions of the world and (b) coordination of NGO participation in disarmament-related meetings and conferences. Reference is made to the United Nations Disarmament Information campaign in section IV below. As for NGO participation in meetings, the Department coordinates the participation of NGOs in intergovernmental conferences and meetings (under United Nations auspices or related to the review of international treaties) to the fullest extent permitted by the relevant rules of procedure. In the case of treaty review conferences, when serving as secretariat, the Department makes recommendations to the States parties on the accreditation of NGOs, also in accordance with the rules of procedures established for such bodies. Arrangements for NGOs include allowing access to premises and meeting rooms, the receipt and presentation of documentation, the provision of office space and supplies and the setting up of briefings by officers and other delegations participating in the meeting.

14. In his report entitled "Renewing the United Nations: a programme for reform" (A/51/950), presented to the

Assembly in 1997, the Secretary-General called for all departments that had not yet done so to designate a NGO liaison officer. In an effort to coordinate better the activities of all these focal points, and to ensure consistency in the Secretariat's dealings with NGOs, an Inter-Departmental Working Group on NGOs was revived three years ago and is currently chaired by the Assistant Secretary-General for External Relations. A similar group meets at the United Nations Office at Geneva and is chaired by a representative of the Director-General. The main objective of the working groups is to develop common guidelines and exchange information, without curtailing the necessary flexibility that should govern each department's dealings with specific NGOs. They are a useful device for fostering contacts among officials working with NGOs and channelling information to the Office of the Secretary-General.

15. The majority of funds, agencies and programmes of the United Nations system have also received a clear mandate from their governing bodies to work with NGOs, and have developed a wide range of mechanisms to do so. Many of their own procedures and arrangements in this field reflect those of the Economic and Social Council consultative status. Most involve the granting of a formal status for consultation and many include annual consultation between United Nations officials and their main partners in the non-governmental community. While formal responsibility for cooperation with NGOs often resides in external relations services, or their equivalent, staff in the other units of the secretariats maintain informal contacts with NGOs, maintaining liaison and collaborating on technical and operational matters.

16. Arrangements for the participation of NGOs in the intergovernmental activities of the United Nations Conference on Trade and Development (UNCTAD), for instance, are governed by the rules of procedure and the decisions of the Trade and Development Board. Those organizations which exercise functions and have a basic interest in most of the activities of the Board are placed in the general category, while those with special competence in specific activities fall into the special category. National NGOs of recognized standing deemed to have a significant contribution to make to the work of UNCTAD are placed on the Register after consultation with the Member State concerned. There are currently 177 NGOs in status with UNCTAD, 95 in the general category and 82 in the special category. NGOs in status receive notifications of and documents for conferences and meetings convened by UNCTAD. Their representatives are entitled to participate as observers, without the right to vote, in the public meetings of the intergovernmental bodies.

17. As early as 1950, the United Nations Children's Fund (UNICEF) was specifically called upon by the General Assembly to "obtain from ... non-governmental organizations having a special interest in child and family welfare the advice and technical assistance which it may require for the implementation of its programmes" (resolution 417 (V) of 1 December 1950). Accordingly, UNICEF has granted consultative status to those international development organizations which already hold consultative status with the Economic and Social Council, engage in child-related activities and wish to formalize their relationship with UNICEF. This allows them to be represented as observers at meetings of the Executive Board, and, with the agreement of the Board's Chairperson, to take the floor and circulate statements if they express a particular interest in the agenda items under discussion. Currently, 191 NGOs hold consultative status with UNICEF.

18. The United Nations Development Programme (UNDP) does not have formal accreditation procedures for NGOs, but draws up memoranda of understanding and cooperation agreements for specific areas of cooperation with individual NGOs, as needed. UNDP's relationship with what it refers to as civil society organizations are now guided by a policy statement issued in June 1997. In June 1997, the UNDP/United Nations Population Fund (UNFPA) Executive Board also adopted rules of procedure allowing it to invite, when it considers appropriate, intergovernmental organizations and NGOs in consultative status with the Economic and Social Council to participate in its deliberations for questions that relate to their activities. At Headquarters, the UNDP Civil Society and Participation Programme is responsible for strengthening UNDP policy and operational methods to collaborate effectively with civil society organizations. The UNDP Division of Public Affairs works to advance UNDP relations with civil society organizations in advocacy and public information. In response to proposals from its civil society organization/NGO partners, UNDP is currently working to create a civil society organization/NGO Committee which could facilitate relations between UNDP and NGOs on operational, policy and advocacy matters.

19. Since its inception, UNFPA has maintained close operational relationships with NGOs. In 1995, UNFPA established an NGO Advisory Committee at the international level to advise it on policy and programming matters and to promote a more active involvement of NGOs in its work, especially in its advocacy activities. The Advisory Committee, which meets annually, is composed of from 25 to 30 representatives of community-based, national, regional and international NGOs. A Working Group on NGO

accreditation reviews applications by NGOs seeking a collaborative relationship with UNFPA. NGOs which meet certain criteria are recommended by the Working Group to the Policy and Planning Committee for approval. UNFPA has also recently established the NGO/Civil Society Theme Group to formulate, recommend and implement strategies, procedures and activities that will promote, strengthen and facilitate UNFPA interaction and collaboration with civil society. Both UNFPA staff at Headquarters and in the field participate in the work of the Theme Group.

20. The World Food Programme (WFP) also invites NGOs to attend its Executive Board meetings as observers and, as such, they are allowed to take the floor, upon request. In addition, WFP conducts a regular policy dialogue with its major operational partners through an annual "WFP-NGO Consultation" which is jointly managed and organized by the NGOs and WFP. The agenda and membership of the Consultation are proposed by the NGOs themselves. Likewise, the Office of the United Nations High Commissioner for Refugees (UNHCR) allows NGOs to participate as observers in both its Executive and Standing Committees. A UNHCR/NGO Consultation precedes the Executive Committee meeting.

21. The International Fund for Agricultural Development (IFAD) does not give formal or consultative status to NGOs. However, subject to formal approval by the Executive Board, NGOs may participate as observers in meetings of the IFAD Governing Council. The annual consultation which IFAD has also been holding with selected NGO partners since 1990 provides a forum for dialogue between the Fund and representatives of the NGO community on past, ongoing and future cooperation. The consultation always reviews a range of issues arising from IFAD/NGO cooperation as well as some specific themes. An Advisory Group of NGOs was formed to choose these themes, select the participants, and provide ongoing advice on ways to strengthen IFAD/NGO collaboration.

22. Many specialized agencies of the United Nations system grant consultative status to NGOs whose goals and activities are directly related to these agencies' mandate, and from which they can obtain information or expert advice. For instance, the International Maritime Organization (IMO) grants consultative status to NGOs whose activities are directly related to its purposes. These NGOs (54 at present) are invited to be represented by observers at sessions of the governing bodies of IMO and its committees and their subsidiary bodies. The IMO Rules require reciprocal privileges to be accorded to IMO by the NGOs to which consultative status has been granted. Those organizations have also undertaken to support the activities of IMO and to promote the dissemination of its principles and work.

23. The Basic Texts of the Food and Agriculture Organization of the United Nations (FAO) also provide for formal arrangements for consultation, cooperation and liaison with NGOs. Three kinds of formal relations are granted, namely, consultative status, special consultative status and liaison status. At present, 190 international NGOs have formal relations with FAO. They can be invited to send observers to the sessions of the FAO Council and Conference and to participate in experts' meetings and technical conferences and seminars. A Unit for Cooperation with the Private Sector and NGOs has been established to review and strengthen cooperation with civil society.

24. Initial provisions for the United Nations Educational, Scientific and Cultural Organization's (UNESCO) relations with NGOs were set out in UNESCO's constitution. These provisions were completed in 1960 by a set of Directives adopted by the General Conference. Guided by these Directives, UNESCO established formal relations, at three different levels or categories with some 580 international NGOs. The new Directives adopted in 1995 did away with the "hierarchy" inherent in the previous ones and placed greater emphasis on operationality, direct action in the field and closer contact with grass-roots organizations. However, the new Directives still draw a distinction between national and international or regional NGOs. While they provide for the continuation of close relations with a small group of international NGOs, they also introduce a new, more flexible, set of arrangements. Thus, UNESCO can cooperate with NGOs at all levels (international, regional, subregional, national, local and grass-roots) under what are termed "operational relations", with the purpose of helping the organization amplify its concrete action in the field. Provisions are also made for regular meetings with representatives of NGOs having a formal relation with UNESCO, both at the global level and through regional consultations.

25. Article 71 of the constitution of the World Health Organization (WHO) stipulates that WHO may "on matters within its competence make suitable arrangements for consultation and cooperation with non-governmental international organizations and, with the consent of the Government concerned, with national organizations, governmental or non-governmental". Unlike the Economic and Social Council, WHO has only one category of formal relations, and in principle, only international NGOs are eligible. The Executive Board decides whether an NGO is to be admitted into what it refers to as "official relations with WHO". Each NGO in official relations is appointed a

designated technical officer who is responsible for the development and maintenance of joint collaboration. NGOs in official relations have the right to participate, but not to vote, in WHO's meetings or in those of the committees and conferences convened under its authority. All other contacts with NGOs, including working relations, are considered to be of an informal character. With the exception of administrative programmes, most WHO programmes have some type of formal or informal interaction with NGOs. In fact, official relations normally result when contacts and joint activities develop over the years into mutually agreed programmes of work in international health or health-related activities. There are more than 180 NGOs enjoying official relations with WHO. WHO regional offices can establish working relations with national and regional organizations.

26. Article 19 of the Constitution of the United Nations Industrial Development Organization (UNIDO) provides that the Director-General can establish appropriate relations with non-governmental and other organizations the work of which is related to that of the Organization. When establishing relations with national NGOs, the Director-General must consult with the Governments concerned. At present, more than 100 NGOs enjoy consultative status with UNIDO, which is granted by the Industrial Development Board and which enables them to participate in the meetings of the Industrial Development Board, the General Conference and in other activities. Within the office of the Director-General, it is the task of the External Relations Service to coordinate UNIDO activities with NGOs.

27. Since the early 1980s, the World Bank's dialogue with NGOs has been guided primarily through the NGO-World Bank Committee, which was formed in 1982 to provide an avenue of exchange between NGOs and Bank management. The Committee's meetings provide a formal, international arena for policy discussions among senior bank managers and 26 NGO leaders from around the world. The NGOs determine the membership through a staggered election process, which allows for annual rotation and diversity of NGO representation. The Committee is currently in the process of being decentralized to the regions, where it is envisioned that its work will have greater focus on regional and country-specific issues. In the Bank, the NGO Unit, housed in the Social Development Department, works with Resident Missions and headquarters offices on issues related to NGOs and broader civil society participation in the Bank's activities. There are now staff in 63 Resident Missions with full or partial responsibility for NGO matters. An NGO thematic group brings together representatives from each region and the central vice presidency to facilitate discussion of matters related to both operational and policy work with NGOs.

28. Owing to the nature of their activities, a number of United Nations agencies have established very specific relations with non-governmental entities. Among them, the International Telecommunication Union (ITU) has a long-standing tradition of private sector participation, which has intensified in recent years. Its partners in civil society, which include recognized operating agencies, scientific or industrial organizations and financial or development institutions, are referred to as "sector members". Sector members have the right to participate in and submit written contributions to ITU Conferences (other than those empowered to conclude legal instruments having treaty status), assemblies and meetings.

29. The International Labour Organization (ILO) is the only tripartite institution within the United Nations family. Its constituents are Governments, employers' and workers' organizations, the latter two being represented in national delegations on equal footing with Governments. Representatives of employers and organized labour are thus full-fledged members of the organization's decision-making bodies, such as the International Labour Conference and the ILO Governing Body, and participate equally in regional and sectoral meetings. In addition, the Constitution of ILO provides for consultative relationships with "recognized non-governmental international organizations, including international organizations of employers, workers, agriculturists and cooperatives". This provision has been put into effect with the establishment of three different categories of NGOs, the first of which applies to international NGOs with an important interest in a wide range of activities of the Organization that are granted general consultative or regional status. Standing arrangements have been made for the participation of those enjoying general consultative status in all ILO meetings, and in regional meetings for those with regional consultative status. Those NGOs which demonstrate an evident interest in at least one area of the work of the ILO and adhere to established procedures may be admitted to the second category, namely, ILO's Special List of NGOs. Finally, the ILO Governing Body extends an invitation to international NGOs which meet certain established criteria to attend the different ILO meetings for which they have demonstrated a particular interest.

30. Worthy of mention is the unique example of the Joint United Nations Programme on HIV/AIDS (UNAIDS), the first programme of the United Nations system to include NGO representatives on its governing body as full participants, rather than observers. The Programme

Coordinating Board is comprised of representatives of 22 Member States (including both donor and recipient countries), the programme's six co-sponsors (UNICEF, UNDP, UNFPA, UNESCO, WHO and the World Bank), NGOs and people with HIV/AIDS.

31. Thus, over the last decade, arrangements for consultation with NGOs have been revised, improved and extended across the United Nations system, allowing NGOs to shape in significant ways the international development and political debates. The advantages of this increased NGO participation cannot be overestimated. NGOs have introduced additional knowledge and information into the decision-making process; they have raised new issues and concerns which were subsequently addressed by the United Nations; they have provided expert advice in areas where they were the main actors; and they have contributed greatly to a broad consensus-building process in many areas which ensured commitment by all actors to a global agenda. This participation has proven to be a very useful addition to the regular intergovernmental work of the Organization. It should also be noted that, throughout the years, and despite their numbers, very few incidents of a disruptive nature involving NGOs have occurred.

III. A growing operational partnership

32. Practical cooperation in operational matters between the United Nations and NGOs has also undergone vast qualitative and quantitative changes in recent years. For a long time, and with the notable exception of relief work, there was little functional interaction between the United Nations system and NGOs in the field. However, as the comparative strengths of NGOs and the potential for their complementarity with the United Nations grew more evident, they have become indispensable partners, not only in development and relief operations, but also in public information and advocacy. Often, these close partners do not hold any formal status of association or consultation with the United Nations, in fact, formal relations are rarely a prerequisite for cooperation. Nevertheless, as their role as implementing partners, clients, advocates or funding sources for United Nations programmes increases, the need arises to provide flexible but clear guidelines to those United Nations officials dealing with NGOs.

33. The comparative advantages of NGOs in operational matters, as clearly summarized by UNIDO in a 1997 working paper entitled "UNIDO's approach to Non-Governmental Organizations", "lie in the proximity to their members or clients, their flexibility and the high degree of people's involvement and participation in their activities, which leads to strong commitments, appropriateness of solutions and high acceptance of decisions implemented". Most agencies, funds and programmes of the United Nations system would agree to the following list, drawn up by UNIDO, of the assets provided by NGOs:

- Local accountability;
- Independent assessment of issues and problems;
- Expertise and advice;
- Important constituencies;
- Provision and dissemination of information;
- Awareness-raising.

34. There also exist a number of constraints or potential difficulties which limit the scope of United Nations collaboration with NGOs. They lie principally in the sheer number of organizations and their diversity, their occasional organizational weaknesses, the fragility of certain grass-roots organizations and the sometimes divergent positions among NGOs and between NGOs and Governments. Furthermore, over-dependence on external financing can sometimes undermine the sustainability and even independence of NGOs. Nonetheless, the balance remains overwhelmingly favourable to a strengthened cooperation between the United Nations system and NGOs in operational matters, at Headquarters and in the field.

35. Within the Secretariat, the Office for the Coordination of Humanitarian Affairs has established strong mechanisms of cooperation with NGOs. In the six years since the General Assembly called for a coordinated system of humanitarian response to crises (resolution 46/182 of 19 December 1991), much progress has been made in mobilizing the collective efforts of the international community, including NGOs, to deliver assistance in a coherent and timely manner. NGOs are often the first to alert the international community to impending humanitarian crises, and are inevitably in the forefront of any response.

36. The Inter-Agency Standing Committee, chaired by the Emergency Relief Coordinator, is the central humanitarian policy-making body in the United Nations system. It is unique in that its composition comprises not only the heads of United Nations agencies engaged in humanitarian action (such as the Office for the Coordination of Humanitarian Affairs, the World Food Programme or the Office of the United Nations High Commissioner for Refugees), but also the heads of the International Committee of the Red Cross, the International Federation of Red Cross and Red Crescent Societies and three NGO consortiums, namely, InterAction

(a coalition of over 150 private non-profit agencies involved in development and relief assistance worldwide), the International Council of Voluntary Agencies (a consortium of some 100 private relief and development organizations based in Africa, Asia and the Pacific, Europe, Latin America and North America) and the Steering Committee for Humanitarian Response (an alliance of major NGOs involved in relief operations). The NGO consortiums thus fully participate in formulating system-wide responses to specific emergencies and in determining priorities and aims in support of the work carried out in the field.

37. Other mechanisms for consultation and exchange of information on humanitarian matters between the United Nations and NGOs at Headquarters include monthly meetings between the Office for the Coordination of Humanitarian Affairs and InterAction, which are co-chaired. At the field level, NGOs provide expertise and advice for United Nations activities related both to natural and man-made disasters. There are NGO liaison officers assigned to all of the Office for the Coordination of Humanitarian Affairs's coordination structures in the field. Since NGOs are frequently the implementing partners for many United Nations operational humanitarian agencies, they are increasingly involved in the consolidated appeal process, through their participation in assessment missions and in formulating programmes in their specific areas of competence and their activities and projects are often reflected in the United Nations consolidated appeal documents presented to potential donors. Their involvement in the process benefits populations in need by promoting closer coordination and encouraging better use of finite resources and providing potential donors with a more complete picture of requirements and actors in emergency situations. It is also worth mentioning that the Steering Committee for Humanitarian Response has developed a code of conduct for NGOs active in this field. Thus far, 144 NGOs have adhered to the code.

38. All United Nations offices directly involved in humanitarian and relief operations, but also those working in the field of development, have established very strong operational relations with NGOs. UNHCR has a direct operational partnership with some 400 to 500 NGOs and, in 1997, funded 443 NGOs in 131 countries, in order to implement 931 projects at a cost of US$ 272 million. A Plan of Action for "Partnership in Action" was adopted by UNHCR and some 500 NGOs from all continents at a major conference held in Oslo in 1994. A tangible step in that process is the agreement by UNHCR and NGOs on the concept of and the need for an operational partnership agreement. This agreement, to be signed between UNHCR and NGOs, is intended to assist all concerned in setting out a basic common understanding on standards of conduct, field coordination, the technical and assistance standard at which both partners aim, and the guidelines which will be used in planning and implementation of refugee operations. In addition, both the Emergency and Technical Sections of UNHCR have a number of formal stand-by arrangements with NGOs for the provision of staff in the early days of an emergency.

39. The World Food Programme (WFP) has an operational collaboration with about 1,200 NGOs worldwide that covers a broad range of activities, which include data collection, exchange of information, identification and formulation of projects, needs assessment, nutritional survey, secondary transportation from storage point to final distribution site, distribution of food, reporting, monitoring or impact assessment. In emergency situations, the main areas of cooperation relate to food distribution and monitoring. In recent years, WFP has negotiated a "Memorandum of Understanding on collaborative working arrangements" with its major partners at the Headquarters level. These agreements aim at establishing a clear division of tasks and responsibilities between WFP and its NGO partners, thus building on the comparative advantages of both organizations and maximizing the effectiveness of the operations. The memorandum of understanding also makes reference to qualitative and socio-economic considerations, such as involvement of women in the planning and management of food aid operations, sustainability and environment issues. Memorandums of understanding on stand-by arrangements have also been concluded with a number of NGOs with a view to increasing WFP's preparedness capacity.

40. As stated above (para. 17), UNICEF has collaborated with NGOs ever since it was founded. Over the years, NGOs and community-based organizations have become a central element in the implementation of programmes and projects at the country level. Traditional areas of NGO involvement include child health, nutrition and development, basic education and water and environmental sanitation. In addition, since the adoption by the General Assembly of the Convention on the Rights of the Child (resolution 44/25 of 20 November 1989, annex), UNICEF has worked with NGOs in the area of child protection, child labour, children in armed conflicts and disabled children, early childhood care and development and youth health and development.

41. Cooperation between IFAD and NGOs effectively began in 1980 with the Fund's support to the Small Farmer Agricultural Credit Project in Bangladesh. An initial IFAD loan, along with a subsequent one in 1984, helped an NGO

– the now well-known Grameen Bank – to expand its operations of credit delivery to the rural poor. Since then, IFAD, in recognition of the vital role of NGOs in micro-development, has established a special IFAD/NGO Fund and an Extended Cooperation Programme, with an individual grant ceiling of US$ 75,000, for direct grant financing to NGOs. The aim of the Programme is to lay the groundwork for future IFAD investments, or to back up ongoing projects. To date, 107 grants have been extended and 228 NGOs have been involved since 1977 in the implementation of IFAD projects. The activities in which NGOs are involved include implementation of rural credit programmes, water resources development, crop production, small-scale enterprises and marketing support and institution-building. One third of cooperating NGOs are involved in credit delivery, tied with savings mobilization.

42. In 1997, UNDP formalized guidelines for the execution of projects by NGOs. Such arrangements must be approved by the Government concerned and must meet UNDP requirements for execution and legal status. Global, regional, interregional and country projects may be executed by NGOs. The procedures determine the role of NGOs as executing agents, project appraisal and approval criteria, implementation standards, and financial management, accounting and reporting. Last November, the Administrator urged all resident representatives to organize consultations and policy dialogue with civil society organizations and to secure their involvement in the formulation, design and evaluation of UNDP programmes and projects. He also called on them to increase NGO execution in line with the new procedures mentioned above.

43. The World Bank also recognizes that achievement of its overarching goal of reducing poverty in its client countries requires the active and substantive involvement of a broad range of actors, NGOs prominent among them. NGO involvement in the portfolio of projects approved each fiscal year has risen from an average of 12 per cent in the 1980s, to nearly 50 per cent in the past several years. In 1997, 47 per cent of projects approved anticipated some degree of involvement by NGOs. While historically, NGO involvement has been most prevalent during project implementation, there is also a growing trend to increase upstream involvement of NGOs in project preparation.

44. The main goal of UNFPA's operational collaboration with NGOs is to supplement and strengthen the national capacity to implement programmes in the sectoral areas within the Fund's mandate. UNFPA has been steadily increasing the amount of programme resources allocated to NGO-executed projects, both in absolute terms and in the percentage of total programme expenditures. By 1997, NGO-executed project expenditures had increased to almost 15 per cent of total UNFPA programme expenditures. In general, at the country and regional levels, funding assistance for NGO-executed projects was primarily for reproductive health activities. At the interregional level, such assistance was primarily for population and development activities, although support was also provided for NGO-executed reproductive health and advocacy projects.

45. Likewise, many NGOs are involved in the operational activities of the United Nations International Drug Control Programme, the majority of them in the field of drugs demand reduction. A number of NGOs have also executed major projects aimed at supply reduction (alternative development projects to reduce the economic dependence of peasant farming communities on illicit narcotic crops). Furthermore, UNDCP has established a special fund to provide grants to grass-roots organizations in developing countries and countries in transition. NGOs acting as executing agencies must have proper accounting procedures and be able to make accounts available for audit. They must be recognized by both their national Government and the host Government. All organizations, whether acting as executing agencies or in receipt of grants, must have the necessary managerial and technical capacity to undertake projects, with a demonstrated track record. NGOs acting as project executing agencies sign an executing agency agreement and a project document, and are subject to the same reporting procedure as any other executing agency.

46. Thus, NGOs are actively involved in United Nations operational activities, either as executing agencies of United Nations-led projects or as beneficiaries (or "clients") of projects or grants. Over the last few years, this involvement has increased and moved "upstream" as NGOs participate more and more commonly in the design of projects. Many United Nations agencies, programmes and funds have established or updated frameworks, guidelines or procedures, which sometimes include the signing with NGO partners of memorandums of understanding or contracts, to provide coherence and direction to their operational dealings with NGOs, and to balance the need for accountability to Governments and donors with the required programmatic flexibility at the country level.

47. NGOs are not only recipients of United Nations assistance. They have also become important sources of funding for some United Nations programmes and funds. UNICEF National Committees thus contribute roughly one third of UNICEF's overall income. Service-club organizations such as Rotary International (so far Rotary International has contributed US$ 240 million towards the

Polio Eradication Campaign, of which US$ 105 million went to UNICEF) and Kiwanis International (which has pledged over US$ 25 million towards the Elimination of Iodine-deficiency Disorders) contribute considerably to the successful outcome of such broad-based programmatic efforts. Other examples include a number of projects led by UNDCP which have also benefited from funds raised by NGOs ranging from the Norwegian Church Aid to the Drug Abuse Prevention Centre of Tokyo.

IV. Building bridges between civil society and the United Nations

48. The range of operational collaboration with NGOs actually goes much beyond fund-raising and programme delivery, to cover activities such as research and information outreach, policy dialogue and advocacy. Through the latter, NGOs have played a very significant and helpful role by establishing bridges between the United Nations and civil society at large. They have effectively disseminated information related to United Nations goals and programmes, publicized and gathered support for major campaigns carried out by the Organization, while at the same time transmitting the concerns and the views of various sectors of civil society to United Nations forums.

49. Over the years, the association of NGOs with the Department of Public Information has proved to be a very useful tool and a central feature of NGOs relations with the United Nations system. The main criteria for association with the Department is that NGOs have a demonstrated interest in United Nations issues and a proven ability to reach large or specialized audiences, including the general public, educators, media representatives, policy makers, and the business community. These NGOs must have the commitment and means to conduct effective information programmes focusing on issues of concern to the United Nations through their own publications, Web sites, radio and television programmes, or during their conferences, seminars, or round tables.

50. The NGO Section of the Department of Public Information serves the NGOs associated with the Department in a number of ways . It organizes an annual three-day conference, held at United Nations Headquarters in September. The conference, attended most recently by some 1,800 NGO representatives, has become a major event, which provides a significant platform for the dissemination of information to active NGOs and for genuine in-depth dialogue between them, United Nations officials and representatives of Member States. The Section has successfully encouraged United Nations information centres to organize parallel NGO conferences at the national and regional levels, so that NGOs unable to attend the Headquarters conference can network and exchange information with other national NGOs working on United Nations-related issues. Over the years, the network of United Nations information centres and services has developed close working relationships with national and regional NGOs, thereby increasing the Department's information outreach to many hundreds of organizations.

51. The Section also organizes weekly briefings for NGO representatives at United Nations Headquarters, highlighting a different issue of priority concern to the Organization each week. An average of 200 NGO representatives participate in this direct exchange of information on United Nations activities between United Nations experts, representatives of Member States and representatives of NGOs. The Section produces a weekly "DPI/NGO Link" with selected news and information on recent material available at the Department of Public Information/NGO Resource Centre. The Resource Centre, located at Headquarters and serviced by the NGO Section, provides current information materials from the Secretariat and many agencies, funds and programmes.

52. Another crucial link to the non-governmental community has been established in the last three years by the Department of Public Information through the creation of the United Nations Web site. Although the Web site is not specifically geared to NGOs, their knowledge of modern information technologies and frequent use of the Internet make them primary beneficiaries of United Nations efforts in this field. The United Nations Web site has witnessed phenomenal growth in the years since its creation, both in terms of the number of accesses and the scope of information material it contains. The number of accesses to the site reached 42.7 million in 1997 and continues to increase rapidly, averaging 141 access every minute in the first quarter of 1998. These accesses are from individuals or organizations located in 132 countries. The Web site (with related gopher sites) contains a wealth of information on United Nations activities and official documentation, which is now available in all countries to computer users with access to the Internet. The NGO Section maintains a United Nations/NGO link page on the site. The Department of Public Information is now engaged in a major redesign of the United Nations home page through which it hopes to target more specific audiences, and which should further facilitate NGOs' access to United Nations-related information. Twelve United Nations information centres have developed their own Web sites.

53. A very important mechanism for the dissemination of information and the fostering of a greater understanding and dialogue between the United Nations and NGOs was created in 1975, when several United Nations agencies established a joint project known as the United Nations Non-Governmental Liaison Service. The Service reports annually to the Joint United Nations Information Committee, its governing body, and through the Committee, to the Administrative Committee on Coordination. The Service works with Secretariat departments, United Nations agencies, programmes and funds, Convention secretariats and other bodies and organizations of the United Nations system working in areas of economic and social development, sustainable development, humanitarian emergencies and human rights. It brings important United Nations policies, issues and activities in these fields to the attention of NGOs through publications and meetings. Its publishes, in particular, a bi-monthly newsletter, "Go-Between", which provides news and information on the United Nations system and on United Nations cooperation with NGOs. The Service also produces Roundup Reports on major United Nations events and conferences, as well as manuals, handbooks and directories designed to provide the NGO community with United Nations contacts and entry points, as well as information and guidance on the rules, procedures and scope for collaboration with the United Nations system. Most of the Service's publications are distributed to the 6,000 NGOs featured on its databases, and are uploaded onto electronic mail networks. Furthermore, as a trusted interlocutor between the United Nations system and NGOs, and to facilitate direct communication, interaction and dialogue, the Service organizes, or helps to organize, from time to time, consultations between United Nations agencies and NGOs on specific sectoral issues. It also organized two inter-agency consultations in 1997 to discuss cooperation with civil society, one entitled "Working with Civil Society: Issues and Challenges" and the other focusing on operational collaboration with NGOs .

54. Many substantive departments of the Secretariat, as well as agencies and funds of the United Nations system publish regular newsletters on their activities. NGOs, who are normally the primary recipients of these publications, disseminate the information received to their constituencies through their own publications or during their meetings. The Division for the Advancement of Women of the Department of Economic and Social Affairs, for instance, maintains a large mailing list of NGOs accredited to the Fourth World Conference on Women (2,500 organizations) and other NGOs and individuals, totalling about 10,000 for some of its regular publications.

55. Some departments have also been specifically mandated to cooperate with NGOs to strengthen information efforts on important topics. For instance, NGOs are actively involved in the United Nations Disarmament Information Programme, which was launched at the first meeting of the second special session of the General Assembly devoted to disarmament in 1982. NGOs receive, develop and disseminate information and education materials produced by the Department for Disarmament Affairs. The Department also works closely with NGOs on special events, such as the celebration of Disarmament week, starting on 24 October every year. The Division for Social Policy and Development of the Department of Economic and Social Affairs convenes a biennial World Youth Forum attended by hundreds of non-governmental youth organizations, through which the Forums have built important bridges between the United Nations system and youth groups worldwide.

56. Owing to the unique capacity of NGOs to gather public support for and raise general awareness on a number of important subjects, joint advocacy campaigns with NGOs, at the international and national levels, have often met with considerable success. The Ottawa process, which led to the adoption, in December 1997, of the Convention banning anti-personnel landmines was a landmark in this regard, and is a striking example of effective partnership between intergovernmental, governmental and non-governmental actors. The process and the role played in it by the International Campaign to Ban Landmines, an umbrella group of NGOs active in this field, have shown that determined, knowledgeable and well-organized NGOs that are willing to form caucuses and alliances can achieve successes in advocacy and lend tremendous weight to International and United Nations-led campaigns. Other examples include UNICEF's strong reliance on NGOs in its advocacy campaigns, such as those on the implementation of the recommendations of the United Nations report on the impact of armed conflicts on children, the "Child-friendly city initiative" or the subject of the sexual exploitation of children. NGOs' involvement in the latter was particularly important. The Conference on Sexual Exploitation of Children, held in Stockholm in 1996, was co-sponsored and organized on an equal footing by the Government of Sweden, UNICEF and the NGO called End Child Prostitution and Trafficking.

57. Although NGOs neither hosted nor organized the global conferences of this decade, their involvement in the process of collective analysis of the economic and social fields by the United Nations through these conferences reached unprecedented levels and led to an important breakthrough in the perception by United Nations officials

and Member States alike of the role of NGOs. The latter are no longer seen only as disseminators of information, but as shapers of policy and indispensable bridges between the general public and the intergovernmental processes. Since the United Nations Conference on Environment and Development, held in Rio in 1992, United Nations world conferences have aimed to encourage the increased participation of international and national NGOs from developed and developing countries, grassroots and community-based organizations and regional and international networks. Indeed, the degree to which a world conference mobilizes the attention of NGOs and other organizations of civil society has become an important criterion for judging its success. The massive presence of NGOs in the conferences increased public awareness of the conferences and the issues they dealt with and, ultimately, of the United Nations, and was a driving force for the setting of international norms and standards. NGOs participating in the conferences also provided :

- Technical input and expertise on the issues under consideration;
- A linkage between the national and international deliberations on the issues, thereby enlarging the transparency of the process and the accountability of actors involved;
- An interested and informed constituency, at both the international and national level, for the implementation and monitoring of the results of the conferences;

NGOs have also worked with national Governments towards the implementation of the agreements reached and decisions taken at the conferences.

58. NGOs benefited in different ways from their participation in the conferences. They were encouraged, in particular, to organize themselves into regional or thematic caucuses, which enabled them to manage better their participation in the international policy dialogue and mobilize themselves into effective forces for advocacy work by facilitating the development of shared perspectives and approaches. By forming alliances, networks and caucuses, NGOs also demonstrated that their fast-growing numbers do not necessarily lead to increased logistical or political difficulties for the organizers of United Nations conferences. In addition, the global conferences led to innovative forms of NGO participation, some formal and some informal. On a significant number of occasions, NGOs participated in intergovernmental working groups, informal sessions and even "informal informal" discussions. In some of these, and always at the discretion of the Chairman, NGO representatives were permitted to comment. Finally, the positive experience of the involvement by NGOs in the global conferences also gave impetus to the Economic and Social Council to review and update its arrangements for consultation with NGOs (as described in section II above), in the course of which the Council established arrangements for their participation in future conferences, which had hitherto been determined on a case-by-case basis for each conference.

59. NGO attendance and involvement in all major conferences from United Nations Conference on Environment and Development to Habitat II has demonstrated the existence of a worldwide constituency for United Nations activities and has allowed the Organization to build new bridges with civil society at large.

V. Participation of non-governmental organizations from all regions

60. The collaboration between NGOs and United Nations agencies and programmes, in particular in operational matters, involves a great number of organizations based in developing countries. These NGOs participate in the activities of the United Nations, either as beneficiaries of projects or as full partners. As the United Nations continues to decentralize its activities, and as efforts by programmes, funds and agencies are increasingly defined at the country level, the participation of local and national NGOs is likely to expand further in the years to come.

61. UNDP encourages participation of NGOs from programme countries on a widespread basis through project execution and other cooperative mechanisms. Examples also abound of participation by local NGOs in the implementation of UNICEF's country programmes. IFAD has also cooperated mainly with southern partners in implementing projects. Of the 319 NGOs with which it has worked, 255 (or 80 per cent) were from developing countries. Of the 1,200 NGOs collaborating with WFP worldwide, 200 are "international" organizations based in industrialized countries, which are important partners in emergency food aid operations. The others are all national southern organizations, more frequently involved in protracted refugee operations or development projects.

62. Similarly, the policy of UNHCR is to work with national NGOs whenever possible. While the primary objective of its strategy in support of national organizations is to ensure appropriate local capacity to meet the humanitarian assistance needs of refugee operations in the most effective manner, a secondary aim is to build the

capacity of national organizations to work beyond the needs of a UNHCR operation and to contribute, in the longer term, to rehabilitation and development. UNHCR supports national NGOs through the identification and assessment of their capacities followed by training and capacity-building programmes. UNHCR also encourages international NGOs to work directly with national NGOs, with a view to handing over activities when feasible. Similarly, in order to promote local NGO participation and ensure long-term benefits of food aid assistance, WFP requests international NGOs to involve local partners in their activities. In some cases, this request has been included in the contract determining the modalities of collaboration with the international NGO.

63. Efforts to promote the role and participation of NGOs from developing countries in United Nations activities must first concentrate on facilitating the emergence of such organizations and on building their capacity to work effectively with the United Nations. The policy environment for NGOs and civil society varies enormously from country to country, which is a powerful determinant in influencing both the contribution and growth of the NGO sector. In particular, there is a great variation in the legal framework relating to NGOs in each country. In response to this situation, the World Bank, through its NGO Unit, has developed a programme to give best practice advice on NGO law. The Unit has been working with the International Centre for Not-for-Profit Law since 1995 to analyse existing NGO laws in 100 countries. The result has been the publication, in draft form, of a "Handbook on Good Practices for Laws Relating to NGOs". Together with the Centre and other experts, the Bank is working in many countries to assist Governments and other parties to analyse the weaknesses of existing laws in this field and to draft more appropriate ones.

64. Other United Nations programmes engaged in capacity-building for national NGOs include the United Nations Drug Control Programme, which provides technical assistance to strengthen technical, legal, training and managerial capacities of NGOs involved in reducing the illegal production, cultivation, manufacture, sale, demand, trafficking and distribution of narcotic drugs. In fact, the Programme endeavours to include capacity development in all its activities in order to ensure their sustainability. Capacity-building of civil society organizations is, therefore, almost inherent to its technical cooperation activities.

65. Southern NGOs are particularly important partners of FAO, because of their knowledge of local situations and the services they provide to needy farmers and rural communities. FAO has learned that a key form of cooperation with NGOs in developing countries is through capacity-building programmes, designed specifically to strengthen the effectiveness of southern NGOs in areas of work which fall within its technical mandate. Such actions, however, are limited, as FAO does not have any sizeable resources earmarked specifically for NGOs. Its normative or operational activities in favour of NGOs have to be funded mainly through extrabudgetary resources.

66. Lack of financial means and inadequate access to relevant information have also prevented southern NGOs from contributing as much as other NGOs, based in the north, to the policy dialogue conducted in United Nations forums. It is striking, in this regard, that of the 1,550 NGOs associated with the Department of Public Information, only 251 are based in developing countries. The United Nations Conference on Trade and Development (UNCTAD) also notes that only 25 per cent of organizations formally associated with it are southern NGOs, and that they rarely participate in the Trade and Development Board and Commission meetings because of financial constraints.

67. By allowing national, regional and subregional NGOs to apply for consultative status, Economic and Social Council resolution 1996/31, adopted at the conclusion of the review by the Council of existing arrangements for consultation, should ensure a greater contribution by organizations from developing countries to the policy-making process in the economic and social fields. National NGOs now account for the majority of applications for consultative status. The need will soon arise, as an increasing number of organizations from developing countries seek consultative status with the Council and other United Nations bodies, for specific arrangements and mechanisms to assist them in making proper use of this status. This assistance will be manifold and, to be most effective, should be provided at the national level through United Nations field offices.

68. Efforts are already being undertaken by United Nations programmes, a number of Member States as well as large international NGOs to provide financial and other assistance to organizations based in developing countries and to facilitate their participation in United Nations policy discussions. With modest levels of financial support from donor Governments, the United Nations Non-governmental Liaison Service, for instance, has established an effective and credible system for identifying and financing participation by representatives of developing country NGOs in United Nations conferences and forums such as meetings of the Commissions of the Economic and Social Council. Thus, since the United Nations Conference on Environment and Development in 1992, the Service has raised funds to finance and facilitate the participation in United Nations

meetings or conferences of over 700 NGO representatives, almost entirely from developing nations.

69. As a result of such and other efforts, the global conferences of the 1990s were marked by a sharply improved regional balance among NGOs, as compared with previous large conferences held by the United Nations. These global conferences and the parallel civil society forums have also allowed national and regional non-governmental organizations from the south to establish useful links and networks with counterparts in the north.

70. Often, NGOs themselves provide resources to ensure a more balanced geographical representation among their representatives. Examples include the financing by NGO committees on Disarmament in Geneva or New York of travel and accommodation expenses for selected organizations to participate in their sessions or special events. The Department of Public Information/NGO Executive Committee, for its part, has in the last few years appealed to all NGOs associated with the Department of Public Information for funds to assist representatives of NGOs in developing countries to attend and speak at the Annual Department of Public Information/NGO Conference. The United Nations also encourages NGOs to form regional specialized committees away from Headquarters to allow easier participation by local organizations in substantive discussions. The United Nations Drug Control Programme, for instance, which has long worked with the Vienna NGO Committee on Narcotic Drugs and the New York NGO Committee on Narcotics and Substance Abuse, recently assisted Asian NGOs to form a similar Committee in Bangkok. Finally, Member States sometimes provide funds to finance participation by NGOs from developing countries in meetings organized by the United Nations, as is the case for UNCTAD's annual NGO/Trade Union consultations.

VI. Enhancing the participation of non-governmental organizations in all areas of the United Nations system

71. In his report on "Renewing the United Nations: a Programme for Reform" (A/51/950), the Secretary-General stressed how the increasing role and influence of civil society, and of NGOs in particular, is contributing to a process of enlargement of international cooperation and spurring the United Nations system and other intergovernmental structures towards greater transparency and accountability and closer linkages between national and international levels of decision-making and implementation. This is a positive process which the Secretary-General welcomes and encourages. At the same time, a number of questions have arisen with regard to the participation of NGOs in United Nations activities, linked both to the financial and legal constraints within which the Organization operates and to the fast-growing number and diversity of NGOs engaged in collaboration with the United Nations.

72. The NGO sector constitutes a very diverse institutional category with significant variations with respect to size, resources, impact, methodology, objectives and approach to international organizations. In order for the United Nations to interact better with NGOs and to continue to cooperate with them in a mutually beneficial relationship, it needs to learn more about this complex and expanding universe. The great majority of departments, funds, programmes and agencies which have established consultative and/or operational relations with NGOs have set up computerized databases allowing them to organize the information they hold in terms of contact points for these organizations, activities and/or fields of interest. While efforts have been made in recent years to integrate some of the databases within the same department or agency, the creation of a single database encompassing all NGOs working with the United Nations system would neither be feasible nor necessarily useful. However, efforts must be made to harmonize existing databases so as to facilitate the exchange and compilation of information on NGOs across the system. As a first step, and if necessary resources can be identified, the Secretary-General will entrust the United Nations Non-governmental Liaison Service with carrying out a survey of all NGO databases that currently exist in the United Nations system.

73. The United Nations must attempt not only to draw a composite picture of the NGO community but also to provide its staff with the tools to deal with their fast-growing number. NGO sections or liaison offices are frequently understaffed and sometimes ill-equipped to service large groups of NGOs. The Secretary-General will encourage all departments, programmes and funds of the system to ensure that these sections are appropriately staffed and are, to the extent possible, allocated the necessary logistical and financial resources. In this regard, the Department of Economic and Social Affairs has reallocated additional staff and resources to its NGO Unit in 1998 to allow it to cope with its tremendous caseload. The staff assigned to work with NGOs must be the primary recipients of any training programmes specifically dedicated to cooperation with civil society.

74. Within the Secretariat, procedures and policies governing relations with NGOs are set out in the

Secretary-General's bulletin ST/SGB/209 of 21 December 1984. The Secretary-General will instruct the Department of Management, in collaboration with the Office of Legal Affairs, to study and update the Bulletin to ensure that it reflects not only the present practices in this field but also the new arrangements set out in Economic and Social Council resolution 1996/31. A new Bulletin will also serve to improve consistency in the Secretariat's relations with NGOs and increase awareness among Secretariat officials of the mandates given to them in this field by the governing bodies of the Organization.

75. In the broader context of the United Nations system, relations with NGOs vary widely in nature and scope from programme to programme, as described in previous sections. While these relations are governed by the specific goals and regulations of each organization of the system, it is imperative that all officials concerned share their experiences and best practices so as to promote coherence and efficiency in our dealings with civil society while ensuring a proper implementation of existing mandates and rules in this field. The Inter-Departmental Working Group on NGOs mentioned above (para. 14) is a useful tool in this regard, and the Secretary-General will encourage all relevant departments that have not yet done so to designate representatives to attend its regular meetings, in New York and Geneva. All programmes, funds and specialized agencies are also invited to send representatives to the meetings, as many already do. The Secretary-General also welcomes initiatives such as the one taken last year by the Consultative Committee on Programme on Operational Questions in collaboration with the United Nations Non-governmental Liaison Service to organize an inter-agency consultation on operational collaboration with NGOs. Participants in the consultation, held in Geneva in November 1997, established a number of groups tasked with the elaboration of general principles to underpin operational collaboration with NGOs, updating guidelines to Resident Coordinators in this field and undertaking a system-wide survey of experiences and best practices in NGO capacity-building.

76. If NGOs are to continue making a meaningful contribution to the work of the United Nations, it is crucial that their access to information and documentation be secured in a timely and appropriate manner. United Nations efforts in this regard are described in section IV of the present report. The Secretary-General will pursue and expand these efforts, in particular those related to the United Nations Web sites. In order that NGOs, in particular those based in developing countries, benefit from information exchanges and discussions on matters of interest to them, the Secretary-General will also encourage departments that have the technical ability to do so to conduct electronic conferences on the Internet through the World Wide Web as was done recently by the United Nations Institute for Disarmament Research and the Secretariat of the International Decade for Natural Disaster Reduction.

77. Due to the financial and legal constraints of the Organization, however, NGO demands for prompt and comprehensive information cannot always be adequately satisfied. Member States may wish to consider a number of measures which could remedy, at least partially, this situation. For instance, allowing representatives of organizations in consultative status with the Economic and Social Council to occupy, on an as available basis, a number of seats in an appropriately designated area of the General Assembly Hall during public debates on items in the social or economic fields, could facilitate their access to the Assembly's official documentation without any additional financial expense on the part of the Secretariat. Currently, NGO representatives can only sit in the public balcony from which they cannot access document distribution counters and where acoustic and technical problems sometimes impede them from following important debates on matters of direct relevance to their work with the United Nations.

78. Another topic frequently brought up by representatives of NGOs interested and involved in United Nations activities is that of the access to the Organization's Optical Disk System (ODS). ODS was originally developed as a storage and archival system for the use of the United Nations Secretariat and the Permanent Missions of its Member States. Later, in 1996, access to ODS via the Internet was developed. Any expansion of the system to accommodate additional users requires funds to improve the technical infrastructure, as otherwise it would impede access by the current users. Member States have specifically requested the Secretariat to ensure that their access be maintained without limitations. Expansion of ODS to allow access by NGOs can thus only be done by instituting a charge-back fee which is used to enhance the infrastructure. Smaller NGOs, in particular those based in developing countries, may not be able to afford this fee and to benefit from this service. While a great number of documents are now posted on the United Nations Web site, ODS offers a much wider access to United Nations documents in all official languages, including complete United Nations parliamentary documentation since 1993, resolutions and decisions of the General Assembly, the Security Council, the Economic and Social Council and the Trusteeship Council since 1946, certain official records of those four bodies since 1946 and administrative issuances of the Secretariat. Member States may, therefore, wish to

review funding for ODS, in order to allow for wider dissemination of its products.

79. Member States may also wish to consider the establishment of a trust fund for the purpose of facilitating the participation of NGOs from developing and least developed countries, and countries in transition, in activities of the Organization. This fund could serve to provide such NGOs with the means of retrieving important information from United Nations sources as well as attending important meetings or conferences of relevance to their work.

80. In the aftermath of the global conferences and with the emergence of a new international environment characterized by unrestricted flows of information, the United Nations has entered a new era in its relations with NGOs and other civil society actors. The Economic and Social Council recognized this changed relationship when it adopted resolution 1996/31. Many agencies, funds and programmes of the United Nations system have followed suit. The Secretariat, for its part, has tried to adapt to this new situation in creative and innovative ways and will pursue its efforts in this field. The United Nations is committed to seek the participation and contribution of NGOs in its work. New approaches, attitudes, methods and responses are required throughout the United Nations system if we are to meet this challenge effectively.

Notes

[1] In section III of Agenda 21, the following nine "major groups" were identified: women, children and youth, indigenous people, NGOs, local authorities, workers and trade unions, business and industry, scientific and technological communities, and farmers.

United Nations A/53/171

General Assembly

Distr.: General
9 July 1998

Original: English

Fifty-third session
Item 115 of the preliminary list*

Review of the efficiency of the administrative and financial functioning of the United Nations

Note by the Secretary-General

The Secretary-General has the honour to transmit to the General Assembly the report of the Joint Inspection Unit entitled "More coherence for enhanced oversight in the United Nations system" (JIU/REP/98/2).

* A/53/50.

98-20070 (E) 130898

JIU/REP/98/2

MORE COHERENCE FOR ENHANCED OVERSIGHT IN THE UNITED NATIONS SYSTEM

Prepared by

Andrzej T. Abraszewski
John D. Fox
Sumihiro Kuyama
Khalil Issa Othman

JOINT INSPECTION UNIT

Geneva
1998

CONTENTS

		Paragraphs	Pages
Acronyms			iii
EXECUTIVE SUMMARY: OBJECTIVE, CONCLUSIONS AND RECOMMENDATIONS			iv
I.	**INTRODUCTION**	1-9	1
II.	**THE CONCEPT OF SHARED RESPONSIBILITY FOR OVERSIGHT**	10-30	3
	The Need for Shared Responsibility	13-16	3
	Oversight Mechanisms Not a Panacea	17-18	4
	The Shared Responsibilities	19-27	4
	Internal and External Oversight	28-30	5
III.	**CURRENT INFRASTRUCTURE OF OVERSIGHT MECHANISMS**	31-69	7
	Internal Oversight Mechanisms	32-53	7
	External Oversight Mechanisms	54-56	11
	Coordination	57-69	12
IV.	**MEASURES FOR MORE COHERENCE IN OVERSIGHT**	70-110	14
	The Need for More Coherence	70- 75	14
	Recommended Measures for More Coherence: Commonality with Uniformity	76-107	15
	Conclusion	108-110	20
Notes			21
Annex: Brief Description of How Internal Oversight is Conducted in United Nations System Organizations			

ACRONYMS

ACABQ	Advisory Committee on Administrative and Budgetary Questions
ACC	Administrative Committee on Coordination
CPC	Committee for Programme and Coordination
FAO	Food and Agriculture Organization of the United Nations
IAEA	International Atomic Energy Agency
IAWGE	Inter-Agency Working Group on Evaluation
ICAO	International Civil Aviation Organization
ILO	International Labour Organisation
IMO	International Maritime Organization
INTOSAI	International Organization of Supreme Audit Institutions
ITC	International Trade Centre
ITU	International Telecommunication Union
JIU	Joint Inspection Unit
OIOS	Office of Internal Oversight Services
RIAS	Representatives of Internal Audit Services of the United Nations Organizations and Multilateral Financial Institutions
SAI	Supreme Audit Institution
UNDP	United Nations Development Programme
UNDCP	United Nations International Drug Control Programme
UNEP	United Nations Environment Programme
UNESCO	United Nations Educational, Scientific and Cultural Organization
UNFPA	United Nations Population Fund
UNHCS	United Nations Centre for Human Settlements (Habitat)
UNHCR	United Nations High Commissioner for Refugees
UNICEF	United Nations Children's Fund
UNIDO	United Nations Industrial Development Organization
UNU	United Nations University
UNOPS	United Nations Office for Project Services
UPU	Universal Postal Union
UNITAR	United Nations Institute for Training and Research
UNRWA	United Nation Relief and Works Agency for Palestine Refugees in the Near East
WFP	World Food Programme
WHO	World Health Organization
WIPO	World Intellectual Property Organization
WMO	World Meteorological Organization

EXECUTIVE SUMMARY: Objective, Conclusions, and Recommendations

Objective: To increase the effectiveness of oversight in the United Nations system, for both individual organizations and system-wide.

CONCLUSIONS

A. Oversight is important for the continuing process of change and reform underway in the United Nations system.

B. Oversight is a shared responsibility among Member States, Secretariats and external oversight mechanisms; within the context of shared responsibility, Member States play the essential leading role.

C. Ad hoc and incremental efforts in recent years to strengthen oversight in the United Nations system have had effect for some organizations, but have not addressed an already existing lack of coherence in the oversight infrastructure of the United Nations system, and even have added to it.

D. The perception of oversight in the United Nations system now is marked by:

(1) an over-reliance on oversight mechanisms as the remedy for shortcomings in the performance of United Nations system organizations;

(2) Member State discomfort or dissatisfaction with the current results of oversight in the System overall, and a feeling of "oversight indigestion"; and

(3) concern about a blurring of the classical roles of internal and external oversight.

E. Although both internal and external oversight mechanisms seek to assure the effective and efficient functioning of United Nations system organizations, and use similar methods of data collection and analysis, they are different in nature and composition and it is important to maintain the distinction between them.

(1) Internal oversight is accountable first and foremost to Executive Heads for providing advice on internal control and management practices based on a systematic and independent review of an organization's entire operations; external oversight is accountable to the Member States for providing objective information and advice directly to them regarding the management of the organization.

(2) While more transparency regarding internal oversight is required, internal oversight must be preserved as a critically important tool of Executive Heads for fulfilling their management responsibilities.

F. There is great diversity within the United Nations system regarding the structure and conduct of internal oversight.

G. The structures within organizations for providing internal oversight too often do not assure effective functional coordination of the different elements of internal oversight, namely audit, investigation, inspection, evaluation, and monitoring.

H. In order for Member States to play their essential leading role in the shared responsibility for oversight, they need more information -- in a comparable form -- from the Secretariats of each organization that would allow them to:

(1) understand how each element of internal oversight is being handled in the different organizations;

(2) determine the extent to which Executive Heads are making effective use of internal oversight for fulfilling their management responsibilities;

(3) keep abreast of the status of recommendations, including actions taken -- or not taken -- on them by responsible parties; and

(4) identify issues and problems requiring action by Executive Heads and/or legislative organs.

I. A common understanding of oversight throughout the System would assist Member States in:

(1) considering oversight issues and recommendations in a system-wide perspective that would make oversight more effective for individual organizations and for the System overall;

(2) reviewing issues addressed and accomplishments achieved by the different oversight mechanisms, individually and collectively;

(3) assessing the structure and resource levels

assigned to oversight mechanisms in the different organizations and system-wide; and

(4) judging the overall coherence and effectiveness of the oversight infrastructure, both within each organization and system-wide.

J. Neither a single unified oversight mechanism for the United Nations system overall, nor an identical internal oversight model for all organizations, would be practicable or desirable.

K. The broad scope of United Nations system activities, in terms of substance and geographical location, offers significant opportunities for organizations to learn from each other through more active identification of good practices; possibilities for taking advantage of these opportunities are missed by not making active use of oversight reports as a means for disseminating information about good practices throughout the United Nations system.

RECOMMENDATIONS

1. Agreed Plans for Conducting Internal Oversight

Legislative organs should request the Executive Head of each organization to submit, for approval, an optimal plan for conducting and coordinating all elements of internal oversight, appropriate to the characteristics of his/her organization, and an indication of the related personnel and financial requirements. (See paras. 79-82.)

2. Reporting on Internal Oversight Activities

(a) Legislative organs should request Executive Heads of each organization to submit a consolidated annual summary report on internal oversight activities that concisely provides (i) an overview of the issues addressed and accomplishments achieved; (ii) a record of recommendations made and status of actions taken on them; and (iii) issues or recommendations requiring action by Executive Heads or legislative organs. (See paras. 83-86.)

(b) Legislative organs should decide whether Executive Heads will (i) take responsibility for reports on internal oversight activities or (ii) make such reports available to legislative organs as prepared by the internal oversight mechanisms, together with any separate comments the Executive Heads may deem appropriate. (See paras.87-93.)

(c) Any report of internal oversight mechanisms to a legislative organ should indicate which recommendations the Executive Head believes are for information purposes only and which the Executive Head believes require action by an appropriate legislative organ. (See para. 94.)

3. Highlighting Good Practices

United Nations system internal and external oversight mechanisms should include in their reports to legislative organs a description of good practices identified in the course of their work that other units in the same organization and/or other organizations could find beneficial. (See paras. 95-97.)

4. JIU Analyses of Consolidated Annual Summary Reports on Internal Oversight Activities

Based on its system-wide mandate, the Joint Inspection Unit (JIU) should include in its programme of work, periodically, an overall analysis of the consolidated annual summary reports on internal oversight activities, as called for in Recommendation 2, for the purpose of identifying system-wide issues and problems, as well as good practices that other organizations of the System could find beneficial. (See paras. 98-100.)

5. Fostering a Stronger Professional Oversight Community

United Nations system oversight mechanisms, building on current associations, should seek to establish a more active community for encouraging further networking, information sharing, and professional development. (See paras. 101-104.)

6. More Dialogue Among Oversight Partners

Within the context of shared responsibility for oversight, the oversight mechanisms should seek opportunities to enhance dialogue with representatives of Member States and Secretariats, as needed, in order to be more responsive to concerns about oversight, to foster the role of oversight in the change and reform process, and to assure a fuller understanding of the comparative roles of the different oversight mechanisms. (See paras. 105-107.)

I. INTRODUCTION

> The Secretary-General has reminded Member States that change and reform are processes, not events. That being the case, it is the view of the ACABQ ... that such a process must be managed; a prerequisite for the proper management of change and reform is trust and confidence between the Secretariat and Member States, each of which should play its proper executive and legislative role.
>
> -- Chairman of the Advisory Committee on Administrative and Budgetary Questions before the Fifth Committee of the United Nations General Assembly, 22 October 1997

1. Member States increasingly have called for enhanced oversight in the organizations of the United Nations system. The current emphasis on change and reform in the System, coupled with the need to engender more trust and confidence between Member States and Secretariats, makes enhanced oversight all the more important. This report urges that, in efforts to meet this objective, more attention on coherence in the conduct of oversight is required now.

2. Use of the word "coherence" in this report needs some explanation. In calling for more coherence regarding the conduct of oversight in the United Nations system, the point being made is that oversight should be implemented in a way that makes it more logical and consistent, or easily followed. As indicated in Chapter III, partly due to the way they have evolved, the various elements and mechanisms of oversight in the System are not always congruous or logically connected, which makes the overall functioning of oversight more difficult to follow and understand than it should be. A common or shared understanding of oversight and how it is implemented throughout the System would help in making efforts at enhancing oversight meaningful and effective.

3. While there is a need for more clarity and commonality -- in the sense of shared attributes -- about the way oversight is conducted among United Nations system organizations, this report certainly is not arguing that there should be uniformity in conducting all aspects of oversight throughout the System. In fact, the recommendations in this report were developed carefully to avoid infringing on the separateness and independence of the different organizations, which on balance are of value to the Member States. Also, the call for more coherence is not meant to imply fault with current oversight mechanisms and procedures; in many cases the internal and external oversight mechanisms have been making significant efforts at improvement, but the time has come to ensure more "coherence" in these efforts throughout the System.

4. The report begins with consideration of the concept of oversight. In doing this, it addresses the problem of over-reliance on oversight mechanisms as a panacea for shortcomings in the performance of United Nations system organizations. It then provides a description and analysis of the current oversight infrastructure in the United Nations system organizations. The report concludes with a discussion of the need for more coherence in oversight for the United Nations system and an explanation of the recommendations toward this end in the Executive Summary.

5. A broad range of committees or commissions are referred to as "oversight" mechanisms. However, this report is restricted to those that can be considered "operational" in the sense that they tend to base their analyses and reports on primary data, and generally use the reporting of other organizations mostly for background information. Those that are "operational" would include, therefore, the various internal oversight mechanisms of the organizations -- performing audit, evaluation, inspection, monitoring, and investigation -- and the following external oversight mechanisms: the United Nations Board of Auditors, the external auditors of the Specialized Agencies and IAEA, and JIU. In contrast, the other oversight mechanisms, including especially the Advisory Committee on Administrative and Budgetary Questions (ACABQ) and the Committee for Programme and Coordination (CPC), could be considered "review" oversight mechanisms since they use to a large extent data collected, analysed and prepared by other organizations, to which they add their own examination and analysis.

6. A further important distinction between the "operational" and "review" mechanisms is their relative location in the final decision-making process. The "operational" oversight mechanisms typically are at the start of the process since they provide the initial information, conclusions and recommendations on which decisions are to be made. The "review"

mechanisms tend to be closer to the end of the process since it is their role to assist Member States in analysing the initial input in coming to a final decision. Rather than getting into the political issues related to the final decision-making, it seemed more appropriate and useful to restrict this report to consideration of those mechanisms responsible for providing the initial objective information to the decision-makers.

7. The scope of this report is system-wide. To prepare it, we (a) performed a structured review of legislative mandates of United Nations system oversight mechanisms; (b) interviewed senior officials in offices/units that are responsible for providing oversight, as well as those administrative, budgetary and programme managers who are subject to oversight; and (c) collected data from United Nations system organizations for all five elements of internal oversight, including resource levels, reporting relationships, coordination mechanisms, and structural relationships. We conducted detailed work and interviews with Secretariat and oversight officials in New York at the United Nations, United Nations Development Programme, United Nations Population Fund, and United Nations Children's Fund; in Geneva at the International Labour Office, World Health Organization, World Meteorological Organization, and World Intellectual Property Organization; in Rome at the Food and Agriculture Organization and World Food Programme; and in Montreal at the International Civil Aviation Organization. This report is an inspection rather than an evaluation; we focused on how the mechanisms are structured and inter-relate rather than on evaluating performance of the mechanisms.

8. The report was developed in response to the increasing interest of the Member States in enhancing oversight in the United Nations system. Further, it reflects specific suggestions from the Secretariats of the United Nations, the International Civil Aviation Organization and the World Meteorological Organization, for a JIU review of issues related to the functioning of oversight mechanisms in the United Nations system. The report builds on two reports issued by the JIU since 1993 that recommended the need for strengthened and improved oversight mechanisms in the United Nations system.[1] A report on internal oversight for United Nations operational funds and programmes was issued last year by the United Nations Office of Internal Oversight Services (OIOS.)[2]

9. We greatly appreciate all the time and effort of the many individuals who so kindly and professionally provided ideas, expertise and information for this report.

II. THE CONCEPT OF SHARED RESPONSIBILITY FOR OVERSIGHT

10. The basis for efforts to enhance oversight in the United Nations system is recognition and understanding of the concept of shared responsibility for oversight. By its nature, effective oversight in the United Nations system requires a partnership among (a) Member States; (b) senior management in the Secretariats, including their internal oversight officials; and (c) the external oversight mechanisms. All three partners have to fulfill their roles in this shared responsibility in order for the oversight function to serve its purpose.

11. The concept of shared responsibility for oversight was given official standing first in regard specifically to JIU in United Nations General Assembly Resolution 50/233 of 7 June 1996. In this resolution, the General Assembly stressed that:

> . . . the impact of the Joint Inspection Unit on the cost-effectiveness of activities within the United Nations system is a shared responsibility of the Member States, the Unit and the secretariats of the participating organizations.

12. The JIU suggested applying the concept to external oversight mechanisms generally in its submission of additional views on the strengthening of external oversight mechanisms to the Fifty-first United Nations General Assembly.[3] Since that time, application of the concept of shared responsibility to oversight as a whole has been increasingly accepted.[4]

The Need for Shared Responsibility

13. Effective oversight increasingly has been associated with promoting good management practices, but its work still involves four basic components:

> (a) identifying inefficiency, ineffectiveness, and non-compliance with relevant rules and regulations in the conduct of United Nations system programmes and activities being undertaken to achieve mandates established by Member States;
>
> (b) recommending appropriate corrective actions when inefficiencies, ineffectiveness and non-compliance with relevant rules and regulations have been identified;
>
> (c) approval of recommendations for corrective action; and
>
> (d) implementing approved recommendations.

14. It is the final two components -- the approval of recommendations for corrective action and the implementation of approved recommendations -- that give meaning and impact to oversight. And it is these components that most require a sharing of responsibility. Only the Secretariats have the executive responsibility for implementing corrective actions, and only Member States have the authority to assure that Secretariats do so.

15. It is the job of oversight mechanisms to identify problems and weaknesses, as well as opportunities for management improvements, and to recommend corrective actions. However, they do not, and cannot, assume operational responsibilities. Doing so, regarding activities subject to their oversight, would undermine their objectivity and independence, which are essential for them to perform their basic function. Doing so also would undermine effective management in the organizations and detract from the proper accountability of Executive Heads for the overall management and administration of their organizations.

16. The point that oversight mechanisms should not assume operational responsibilities is one made clearly, and repeatedly, for auditors in the "Auditing Standards" issued by the Auditing Standards Committee of the International Organization of Supreme Audit Institutions (INTOSAI).[5] The same strictures should apply as well for other oversight professionals who also must have objectivity and independence. Examples of these strictures for auditors include:

> Whatever the form of government, the need for independence and objectivity in audit is vital. (para. 54)
>
> . . . the SAI's [Supreme Audit Institution's] reports assist the executive by drawing attention to deficiencies in administration and recommending improvements. Care should be taken to avoid participation in the executive's functions of the kind that would militate against the SAI's independence and objectivity in the discharge of its mandate. (para. 64)
>
> The SAI should not participate in the management of operations of an audited entity. (para. 78)

> . . . SAI personnel should not engage in any decision making or approval process which is considered the auditee's management responsibility. (para. 80)

Oversight Mechanisms Not a Panacea

17. The requirement of shared responsibility for effective oversight is sometimes overlooked, leading to the misconception that strengthened oversight mechanisms can serve as a panacea for management shortcomings in the operations of United Nations system organizations. The discussion above makes it clear that effective oversight, in the sense of having impact on the operations of United Nations system organizations, cannot be left to the oversight mechanisms alone. The Secretariats and Member States, with the authority to take action and make changes based on policy decisions regarding deficiencies identified, must fulfill their share of responsibility for oversight.

18. An over reliance on oversight mechanisms as a panacea for shortcomings in United Nations system organizations may be fostered by the more pro-active role increasingly being played by oversight mechanisms. They now are giving more attention to their role as advocates of good management through their continuous interaction with management and governing bodies, as well as through specific recommendations to improve the management of programmes. As much as this should be encouraged, the proper limits of oversight mechanisms must be maintained in order to protect their independence which is critical to their capacity to perform their basic function.

The Shared Responsibilities

Member States

19. The Member States play an essential leading role in oversight. This reflects the fact that the ultimate reason for having oversight is to determine whether United Nations system programmes and activities are meeting the objectives established by Member States, who are the intended beneficiaries.

20. This leading role of Member States means that legislative organs must provide the leadership, guidance and targeting required in the oversight process. While external oversight mechanisms have an obligation to identify issues that they believe should be of concern to Member States, the effectiveness of the oversight partnership requires that intergovernmental bodies respond to such suggestions and guide and target the external oversight mechanisms on those issues that are of particular concern to Member States. They also need to devote sufficient time and attention to the reports of the external oversight mechanisms, and to act definitively on their recommendations. Indeed, this is the ultimate driving force for assuring the necessary corrective actions regarding shortcomings that have been identified.

21. Finally, Member States need to make clear to the Secretariats their strong support for the external oversight mechanisms. This would further encourage the Secretariats to take the oversight mechanisms seriously, provide the cooperation they need, and implement the approved recommendations of the oversight mechanisms in good faith.

Secretariats

22. Since Secretariats manage the resources of the organizations in implementing programmes and activities as mandated by the Member States, the senior management in the Secretariats can be described as "the first line of oversight."[6] The starting point in assuring oversight is to use good management practices and properly functioning internal controls.

23. Internal oversight mechanisms, in turn, are needed to assure that the management practices and internal controls are working as they should. As discussed below, the primary function of internal oversight -- as compared to external oversight -- is to assist Executive Heads in fulfilling their management responsibilities, and thus internal oversight officials are an important part of senior management in regard to the shared responsibility for oversight. It is the responsibility of Executive Heads to determine what mix and structure of mechanisms for conducting the elements of internal oversight -- audit, evaluation, inspection, monitoring and investigation -- are required for their organizations.[7] This should reflect their judgement regarding the assistance they need to identify administrative and management shortcomings so that they can take the appropriate corrective actions to assure that the activities and programmes of their organizations are being managed with satisfactory effectiveness and efficiency, and in compliance with relevant rules and regulations.

External Oversight Mechanisms

24. It is the primary responsibility of the United

Nations Board of Auditors, the external auditors of the specialized agencies and IAEA, and JIU to provide to Member States in the appropriate legislative organs objective information, advice, and recommendations regarding the administration and management of United Nations system organizations. They do this by conducting reviews and examinations of organization programmes and activities in full independence of the Secretariats. This allows them to provide reasonable assurance, where appropriate, that internal controls and management practices are working properly, and otherwise recommend corrective actions. By objectively gathering and evaluating evidence, they are able to lend credibility, when warranted, to information reported by management. Their purpose is to support independently legislative organs in their oversight responsibilities, which includes holding the Executive Heads accountable for the administration and management of their organizations.

25. In recognition of the role of senior management in the Secretariats as "the first line of oversight", the Board of Auditors, the other external auditors and JIU also interact directly with the Executive Heads of the organizations. The Board and other external auditors often submit to Executive Heads management letters regarding matters that may arise in conducting audits but need not be included in their reports. The JIU Statute (Article 11.5) also calls for Inspectors to submit to Executive Heads notes and confidential letters regarding matters that come to their attention in their work. Such notes and confidential letters generally relate to matters that the Inspectors believe could be handled by the Executive Heads without action by legislative organs.

26. While the United Nations Board of Auditors, the other external auditors and JIU are charged with drawing attention to deficiencies and recommending corrective actions, it must be remembered that they explicitly serve in only an advisory role and have no executive authority.[8] The responsibility for acting on the recommendations must remain with senior management of the Secretariats, and ultimately with the Member States in the appropriate legislative organs for assuring such action.

Unfulfilled Partnership

27. More is needed from all three partners for oversight in United Nations system organizations to be fully effective. Member States do not always give adequate attention to reports of the external oversight mechanisms, and too often just note the reports rather than take definitive action on the different recommendations. Secretariats sometimes are slow in providing information required for preparation of reports and are delayed in presenting their comments on completed reports, with the result that reports sometimes are not presented to Member States on a timely basis. They also do not always fully implement approved recommendations. The oversight mechanisms do not always either address issues of concern to Member States or make recommendations that are sufficiently timely, realistic, specific, cost-effective, and implementable.

Internal and External Oversight

28. The difference between internal and external oversight mechanisms deserves special attention in considering the concept of oversight and the necessary sharing of responsibility for it. Concern exists about a blurring of the distinction between internal and external oversight mechanisms within the United Nations system, and the need to maintain the distinction between them. This concern has been reflected in successive United Nations General Assembly resolutions. For instance, a preambular paragraph of Resolution 48/218 B of 12 August 1994 states:

> Reaffirming its resolution 48/218 A, in which it emphasizes the need to ensure respect for the separate and distinct roles of internal and external oversight mechanisms, and to strengthen the external oversight mechanisms,

29. It is important to maintain the distinction between internal and external oversight mechanisms because, although they both seek to assure the effective and efficient functioning of United Nations system organizations, and use similar methods of data collection and analysis, they are different in nature and composition and fulfill different roles. As indicated above, internal oversight mechanisms are primarily tools to assist Executive Heads in fulfilling their management responsibilities. They are accountable to Executive Heads for providing advice on internal controls and management practices based on a systematic and independent review of an organization's entire operations.

30. In much the same way that internal oversight mechanisms are a tool of the Executive Heads, external oversight mechanisms are a tool of Member States in the legislative organs. They are accountable to Member States for providing objective information and advice directly to them regarding the management of

organizations. While it is the responsibility of management to develop adequate internal control systems, including internal oversight mechanisms, external oversight mechanisms should assure the proper functioning of these internal controls and submit appropriate recommendations when the internal controls are found to be inadequate or missing.[9]

III. CURRENT INFRASTRUCTURE OF OVERSIGHT MECHANISMS

31. Efforts to enhance oversight in the United Nations system have to take account of the current infrastructure of oversight mechanisms at work in the System. This chapter provides an overview of the internal and the operational external oversight mechanisms, and how they coordinate; it serves as a basis for considering the measures for more coherence presented in the final chapter.

Internal Oversight Mechanisms

Elements of Internal Oversight

32. The primary objective of an internal oversight mechanism for an organization, as indicated in the previous chapter, is to assist its Executive Head in fulfilling his/her management responsibilities by providing advice on the adequacy of internal controls and management practices based on a systematic and independent review of the operations of the entire organization. Within this context, the generally accepted definitions of the elements of internal oversight in the United Nations system are as follows:

a) audit: examine, review and appraise the use of resources of an organization to determine if they are being used economically, efficiently, effectively and in compliance with the applicable rules and regulations in order to ascertain the implementation of approved programmes and legislative mandates, and make recommendations for corrective action or improvements where necessary.

b) evaluation: determine relevance, efficiency, effectiveness, and impact of programmes and activities in relationship to their goals and objectives.

c) inspection: perform an ad hoc on-site review of an organizational unit whenever there are indications that a programme or activity is not being managed effectively or resources not being used efficiently.[10]

d)monitoring: keep track of the actual production of outputs of a programme or activity in comparison with commitments in the approved programme budget, and monitor any changes and modifications to the programme in the course of implementation.

e) investigation: pursue allegations of violations of regulations, rules, or pertinent administrative issuances; mismanagement; misconduct; waste of resources; and abuses of authority.

Great Diversity

33. Despite general, if not complete, agreement on definitions for the internal oversight elements, there is great diversity in the way organizations structure internal oversight. This reflects the fact that the pattern of development of the elements of internal oversight in United Nations system organizations has been an evolutionary one, marked in recent years by ad hoc and incremental efforts to strengthen oversight in the System. The diversity also reflects differences among the organizations such as the (a) management style of the Executive Heads; (b) mandate of organizations; (c) degree of emphasis legislative organs place on strengthening oversight; and (d) size of organizations.

34. The following table depicts for each organization covered in this report which unit, if any, the organizations have reported being responsible for providing the different elements of internal oversight. The table does not reflect any assessment of the performance and outputs of these units. Furthermore, it is not intended to be judgemental; as discussed later, there may be good reason for an organization reporting, as the table indicates, it has no unit assigned responsibility for a specific element. The office or unit titles used in the table are just generic to avoid further complicating the table. The Annex to this report provides a brief narrative describing how each organization handles internal oversight, and indicates the specific office or unit titles for each organization.

SUMMARY OF STRUCTURES FOR INTERNAL OVERSIGHT

		ELEMENTS OF INTERNAL OVERSIGHT				
		AUDIT	INVESTIGATION	INSPECTION	EVALUATION	MONITORING
UNITED NATIONS, SPECIALIZED AGENCIES & IAEA	UN	Internal Oversight Unit (OIOS)				
	ILO	Internal Oversight Unit (Bureau of Programming and Management)[1]				
	FAO	Internal Oversight Unit (Office of the Inspector General)[2]			Internal Evaluation Unit[3]	Various Units
	UNESCO	Internal Oversight Unit (Inspectorate General)			Internal Evaluation Unit	
	ICAO	Internal Oversight Unit (Office of Programmes Evaluation, Audit and Management Review)	No unit reported	No unit reported	Internal Oversight Unit (Office of Programmes Evaluation, Audit and Management Review)	Programme Managers[4]
	WHO	Internal Audit Unit			Internal Evaluation Unit[5]	
	UPU	Internal Audit Unit		No unit reported	Finance Unit	No unit reported
	ITU	Internal Audit Unit			Programme/General Managers	
	WMO	Internal Audit Unit			No unit reported	Programme Managers
	IMO	Internal Audit unit	No unit reported[6]	No unit reported	Internal Evaluation Unit	Programme Managers
	WIPO	Internal Oversight Unit (Office of Internal Oversight and Productivity)				
	UNIDO	Internal Oversight Unit (Office of Internal Oversight)			Internal Evaluation Unit	Monitoring Unit
	IAEA	Internal Audit Unit			Various Units	Various Units
UNITED NATIONS FUNDS AND PROGRAMMES	ITC	OIOS			Office of the Director	
	UNHCS	OIOS	Internal Investigative Panel	OIOS	Internal Evaluation Unit	
	UNDCP	OIOS	Programme Support Service	Programme Support Service & OIOS	Internal Evaluation & Programme Units	Various Units
	UNDP	Internal Audit Unit			Internal Evaluation Unit	
	UNEP	OIOS			Internal Evaluation Unit	Various Units
	UNFPA	Internal Audit Unit (UNDP)			Internal Evaluation Unit	Programme Managers
	UNHCR	OIOS	Internal Inspection/ Evaluation Unit			Programme Managers
	UNICEF	Internal Audit Unit			Internal Evaluation Unit	Various Units
	UNITAR	OIOS			No unit reported[7]	No unit reported
	UNOPS	Internal Audit (UNDP)			Decentralized[8]	Various Units
	UNRWA	Internal Audit Unit (and Board of Inquiry for Investigations)			Programme Managers	
	UNU	OIOS			External Experts	No unit reported
	WFP	Internal Audit Unit	Internal Inspection and Investigation Unit		Internal Evaluation Unit	Programme Managers

Source: United Nations System Organizations

35. **Audit**. The United Nations and all Specialized Agencies and IAEA have internal

---

[1] The Chief Internal Auditor is placed within the Bureau for administrative purposes, but has direct access to the DG and full autonomy.
[2] Inspections also are conducted by the Field Inspector, Inspection Unit.
[3] FAO's central office establishes guidance and serves as the focal point on all evaluation activities conducted by programme divisions.
[4] The Oversight Unit establishes guidance for monitoring, which is conducted by programme managers.
[5] WHO's central evaluation office establishes standards and policy for the evaluations and monitoring conducted by individual programme divisions.
[6] Ad hoc enquiry committee established by Secretary-General as needed.
[7] Evaluations are conducted periodically by bilateral donors. No internal capacity is reported.
[8] Conducted by project/programme funding organizations.

auditors that report directly to the Executive Head of their organization. The same is true for most of the larger United Nations operational funds and programmes that had internal audit units in place prior to the establishment of OIOS in 1994. However, OIOS provides internal audit coverage for the remaining approximate one-half of the funds and programmes which did not have internal audit units of their own prior to the establishment of OIOS.

36. OIOS provides to the General Assembly a summary oversight report, including audit activities, for the United Nations and most of the operational funds and programmes. The UNICEF internal audit unit provides a summary report of audit activities to its Executive Board, as does the UNDP internal audit unit for UNDP, UNFPA, and UNOPS. Approximately one-half of the Specialized Agencies provide summary reports of audit activities to legislative organs, usually as part of the Executive Head's annual report. This represents a significant change in practice since the JIU report issued in 1995, which indicated that no internal audit units were providing reports to legislative organs, except for the then recently initiated OIOS reports for the United Nations.[11] It should be noted that internal auditors generally make individual audit reports available to their respective external auditors who report directly to legislative organs.

37. **Evaluation.** Regarding the United Nations, the Specialized Agencies and IAEA, three-quarters report having an internal evaluation unit, some of which are directly involved in conducting evaluations while others establish evaluation policy and procedures and coordinate/collate results of evaluations conducted by programme managers. For the United Nations operational funds and programmes, most report having their own internal evaluation units, which existed prior to the establishment of OIOS. However, OIOS has performed in-depth evaluations of UNDCP, UNEP, and UNHCR. As for reporting to legislative organs, internal evaluation units traditionally have provided both summary and individual reports, usually through their Executive Heads, and approximately two-thirds do so under current practice.

38. **Monitoring.** For the United Nations, the Specialized Agencies and IAEA, all but one report having some form of a monitoring system in place, with approximately one-third under the direction of a centralized internal monitoring unit.[12] There is great variety among the organizations regarding structural arrangements for monitoring and whether or not the results of monitoring are reported to legislative organs. One Specialized Agency reported having neither a monitoring unit nor a monitoring system. Although two United Nations operational funds and programmes report having neither a monitoring unit nor a monitoring system, the rest conduct monitoring in some manner. However, only two of these report having a distinct unit responsible for establishing monitoring policy and procedures and coordinating/collating results of monitoring conducted by programme managers. OIOS does not conduct monitoring for any of the operational funds and programmes. The monitoring that is reported to legislative organs usually is done through or in the context of reports of the Executive Head.

39. **Inspection.** The United Nations has a central unit in OIOS for conducting inspections. Three-quarters of the Specialized Agencies and IAEA assign responsibility for inspection to their internal auditors, two of which are included within consolidated oversight units covering all five elements of internal oversight. Three Specialized Agencies report no unit responsible for inspection.

40. Five of the larger United Nations operational funds and programmes assign responsibility for inspection to their internal audit units. One has a special unit for inspections and investigations and another has a unit for inspections and evaluations. OIOS performs inspections for the others. The reporting to legislative organs that takes place is included in either reports on internal audit activities or in the OIOS annual report. The two funds and programmes with special units that include inspection do not submit reports to legislative organs.

41. **Investigation**. The United Nations has a unit specifically for investigation, which is part of OIOS. More than three-quarters of the Specialized Agencies and IAEA assign responsibility for investigations to their internal audit units, two of which are included within consolidated oversight units covering all five elements of internal

oversight. Two Specialized Agencies did not report any unit responsible for investigation.

42. About one-third of the United Nations operational funds and programmes, including most of the larger ones, rely on their internal audit unit to provide for investigations. Another one-third rely on a variety of specific units and panels. The remaining one-third rely on OIOS for this purpose. Operational funds and programmes with units responsible for investigations also consult with the Investigations Section of OIOS, as appropriate, as also do some of the Specialized Agencies.

43. Reporting the results of investigations to legislative organs also varies widely. When investigation is included in the responsibilities of the internal audit unit, a summary of these activities usually is included in the unit's annual summary report. When investigations are handled by separate units, there is no consistency in reporting to governing bodies.

Functional Coordination of Internal Oversight within Organizations

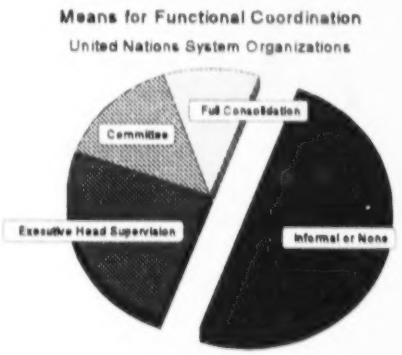
44. Among the organizations of the System there is considerable variation in both the extent to which the working relationships of their internal oversight mechanisms are coordinated and harmonized, and the means used for this purpose. Such functional coordination is important in order to: (a) strengthen the linkages for exchanging and providing information on issues of common concern among the mechanisms; (b) encourage the mechanisms, where appropriate, to take advantage of each other's work and prepare complementary analyses and recommendations; and (c) minimize or prevent duplication and overlap of work.

45. Almost one-half of the organizations have formal means for helping to ensure that functional coordination is taking place. This is done in primarily three different ways: (1) the use of an audit or oversight committee within the secretariat; (2) consolidation of several oversight elements into one office; and (3) direct supervision of oversight elements from the Office of the Executive Head of the organization. The other half have no formal mechanisms for the purpose, which raises questions about the extent to which functional coordination is being achieved.

46. The following pie chart illustrates the proportional distribution among United Nations system organizations of the different means used for functional coordination.

47. **Consolidated oversight office**. An earlier JIU report discussed in detail the advantages of a consolidated oversight office. These advantages include independence, flexibility and responsiveness, improved transparency, increased compliance, enhanced professionalism, economies of scale, visibility and stimulus to management improvement, and focused accountability. [13]

48. Currently, the United Nations, ILO and WIPO



have fully consolidated internal oversight offices including all five elements of internal oversight. [14] However, the majority of United Nations system organizations have consolidated several functions -- typically audit, inspection and investigation -- into one office.

49. While the apparent advantages of consolidating an organization's internal oversight elements into a single office deserve serious consideration, experience in the System demonstrates effective functional coordination also can be achieved by other means, as indicated in the following paragraphs.

50. **Oversight Committee**. Another means used effectively by some organizations, e.g., UNICEF and UNHCR, to facilitate functional coordination is periodic and regular meetings of internal oversight mechanisms to exchange information,

discuss issues of common concern, and develop work programmes collaboratively. In some organizations, the formal title of "oversight committee" or "audit committee" is given to the collective group of internal oversight professionals.

51. In order to ensure the benefits of functional coordination, especially the benefit of providing linkages for sharing information, it is important that all elements of internal oversight be included in such meetings. This would require expanding the traditional audit committee, which typically does not include personnel responsible for the evaluation and monitoring elements.

52. The option of an oversight committee would be especially relevant for organizations that have partially consolidated oversight mechanisms (e.g., audit, inspection and investigation) in order to ensure the inclusion of the other oversight functions (e.g., monitoring and evaluation) in the exchange of information and coordination on issues of common concern.

53. **Supervision by the Executive Head of the organization**. Several organizations achieve functional coordination within the Office of the Executive Head of the organization. Although the individual units are not consolidated, the heads of each internal oversight unit are part of the Office of the Executive Head or report directly to it.

External Oversight Mechanisms

54. The elements of oversight performed by the operational external oversight mechanisms --audit, evaluation, inspection, and investigation--are parallel in definition to those of the internal oversight mechanisms. None of the operational external oversight mechanisms has responsibility for monitoring which is an element unique to internal oversight. Compared to the internal oversight mechanisms, structural arrangements for conducting the elements of external oversight are less complex since relatively fewer mechanisms are involved and each reports independently to the Member States through the appropriate legislative organs.

55. **Audit**. For the United Nations and the United Nations operational funds and programmes, external audit is the responsibility of the United Nations Board of Auditors. The Board consists of three members, each of whom shall be the Auditor-General or officer holding the equivalent title of a Member State. The current members of the Board are the Auditors-General of Ghana, India, and the United Kingdom. The mandate of the United Nations Board of Auditors is twofold, "first, to express an opinion on the financial statements and, second, to make observations with respect to the efficiency of financial procedures, the accounting system, the internal financial controls and in general the administration and management of the Organization."[15] Similar external audit responsibilities for the Specialized Agencies and IAEA currently are shared by the Auditors-General of the countries contained in the following table.

Country of National Auditor	Agency
United Kingdom	ILO, IMO, IAEA
Canada	ICAO, UNESCO
France	FAO, WMO
Germany	UNIDO
South Africa	WHO
Switzerland	ITU, UPU, WIPO

56. **Evaluation, inspection, and investigation**. JIU is the only system-wide external oversight mechanism responsible for conducting evaluations, inspections and investigations. According to Article 5 of the JIU Statute, the Unit "shall provide an independent view through inspection and evaluation aimed at improving management and methods and at achieving greater co-ordination between organizations."[16] The Unit has "the broadest powers of investigation in all matters having a bearing on the efficiency of services and the proper use of funds." The Unit has focused primarily on conducting inspections and evaluations. While conducting individual investigations could be appropriate in special instances, the Unit's investigations mandate is met more effectively by assuring legislative organs that the internal investigation function in their organizations is working effectively and if not, communicating this to them. For the United Nations, the Board of

Auditors has the mandate to bring to the notice of the General Assembly cases of fraud or presumptive fraud, and wasteful or improper expenditures;[17] other external auditors have a similar mandate for reporting to their legislative organs.

Coordination

Coordination Between External and Internal Oversight Mechanisms Within Each Organization

57. Within each organization, coordination between external and internal oversight mechanisms varies for each element of oversight. For the United Nations, the Board of Auditors, JIU, and OIOS recently have initiated periodic consultations to assure more effective coordination.

58. **Audit**. In the case of the United Nations, the Board of Auditors and OIOS coordinate through bi-monthly meetings with a view to minimizing duplication in their respective work programmes and to exchanging information that may help each other determine the scope of specific projects. They also exchange management letters and reports, as well as notification of planned audit visits to avoid duplication. In preparing its reports, the Board, as appropriate, takes advantage of the work of OIOS auditors and provides comments on OIOS reports. The Board also has established working relationships with internal audit units of the United Nations funds and programmes, such as UNICEF and UNDP, but more so on an ad hoc basis.

59. Among the Specialized Agencies and IAEA, much the same practice is followed. The extent to which external auditors make use of the work of internal auditors depends on the organization.

60. On strictly audit matters, there is no reason for JIU to coordinate closely with the internal audit units of United Nations system organizations since it is not in the Unit's mandate to perform audits. Nevertheless, Inspectors attend the annual meeting of Representatives of Internal Audit Services of the United Nations Organizations and Multilateral Financial Institutions (RIAS), and they often will consult with the relevant internal audit units to gain their perspective on an issue to be included in a JIU report.

61. **Evaluation**. JIU is the external oversight mechanism with a system-wide mandate for evaluation. The periodic meetings mentioned above of JIU with OIOS, in conjunction with the United Nations Board of Auditors, are an opportunity to consult and coordinate on evaluation matters since evaluation is included in the mandates for both OIOS and JIU. There are no other structured arrangements for coordination on specific evaluation matters between JIU and the individual internal evaluation units of the different organizations in the System. Nevertheless, JIU representatives do participate in the annual meetings of the Inter-Agency Working Group on Evaluation (IAWGE), which provides an opportunity for exchanging views and staying informed on evaluation developments generally in the System.

62. **Monitoring**. Monitoring is uniquely an element of internal oversight and has no external oversight counterpart, as indicated in para. 54.

63. **Inspection**. For inspections, JIU is again the external oversight mechanism with a relevant system-wide mandate. As mentioned above, the periodic meetings of JIU with OIOS, in conjunction with the United Nations Board of Auditors, also provide opportunity for JIU and OIOS to consult and coordinate on inspections which is in both of their mandates. There currently are no other structured arrangements for coordination between JIU and internal inspection units.

64. **Investigation**. While JIU is the external oversight mechanism with a system-wide mandate for investigations, there are no structured arrangements for coordination between JIU and those units responsible for investigation in each of the organizations of the System. This is due to the need for confidentiality in conducting specific investigations and the limited role of JIU regarding the conduct of specific investigations, noted previously. Nevertheless, the periodic meetings of JIU with OIOS mentioned above provide an opportunity for consulting, as appropriate, on the issue of investigations generally within the United Nations.

Coordination Among External Oversight

Mechanisms

65. The Panel of External Auditors of the United Nations, the Specialized Agencies and the International Atomic Energy Agency serves as a coordination mechanism among the external auditors of the United Nations system. Members of the Panel include the members of the United Nations Board of Auditors and all external auditors of the Specialized Agencies and IAEA. The purpose of the Panel is to further the coordination of the audits conducted by its members and to exchange information on methods and findings. The Panel meets regularly every year. As audit is not a part of the JIU mandate, it is not a member of the Panel, but the Unit can be invited to discuss issues of common interest, as was the case when the preliminary results of this report were presented to the Panel in December 1997.

66. JIU and the United Nations Board of Auditors regularly exchange work programmes and reports. The previously noted periodic meetings of JIU with the Board, as well as OIOS, provide a forum for coordination between the Unit and the Board and a sharing of views regarding issues of common concern.

Professional Oversight Fora

67. There currently are three principal fora to facilitate professional coordination among personnel responsible for oversight within the United Nations system:

- Panel of External Auditors of the United Nations, the Specialized Agencies and the International Atomic Energy Agency;
- Representatives of Internal Audit Services of the United Nations Organizations and Multilateral Financial Institutions (RIAS); and
- Inter-Agency Working Group on Evaluation (IAWGE).

68. While both of the latter two are composed of internal oversight officials, representatives of the United Nations Board of Auditors, the Panel of External Auditors, and JIU attend the RIAS meetings as observers, and JIU representatives also participate in IAWGE meetings. These two groups meet annually.[18] In addition to the RIAS meetings, there are other less structured arrangements for auditors serving much the same purpose, such as an occasional gathering of officials of the internal audit units of the Geneva-based organizations. By serving to facilitate the exchange of information, the comparison and examination of methodologies, and the development of standards and guidelines, these fora provide important means for improving the quality of working methods, and advancing the professionalism of oversight in the United Nations system. They do not get involved in the coordination of work programmes and timetables, this being done as discussed above.

69. There are currently no structured arrangements to facilitate similar relationships among internal oversight mechanisms involved in monitoring, inspection or investigation. However, reflecting the fact that an increasing number of internal audit units are responsible for conducting investigations, consideration of investigations was included in the RIAS agenda for 1998.

IV. MEASURES FOR MORE COHERENCE IN OVERSIGHT

The Need for More Coherence

70. The overview in the preceding chapter demonstrates that key areas of internal oversight have been strengthened in recent years with more oversight elements being addressed either by expanding the mandates of existing internal oversight units -- e.g., internal audit units taking on responsibility for inspections and investigations -- or by establishing new internal oversight units. Along with the established practice of issuing internal evaluation reports to legislative organs, there also has been increased reporting on other internal oversight activities, primarily audit and inspection. There has been no corresponding strengthening of external oversight mechanisms, although there have been some efforts at improved coordination as noted.

71. Despite the strengthening achieved, there remains a sense of discomfort or dissatisfaction among Member States regarding oversight within the System overall, if not within each organization.[19] This impacts on Executive Heads and the oversight community.

72. Member States do not have confidence that oversight mechanisms, collectively, are providing added-value and the assurance desired that activities and programmes of United Nations system organizations are being managed efficiently and effectively, and achieving the objectives Member States have established. Member States want "more" from the oversight machinery but too often do not understand or make good use of oversight findings. In fact, some Member States have "oversight indigestion" and are not able to cope with the flood of oversight reports they now get; the "more" that they want is more quality and relevance of oversight reporting, not more reports.[20]

73. In terms of impact on Executive Heads, the concern of Member States about the adequacy of oversight reports for identifying Secretariat shortcomings can be an important factor leading to micro-management. It also can lead to increasing demands from Member States for more and strengthened internal oversight units, usually to be accomplished without increased resources. In the extreme, these demands can result in converting internal oversight mechanisms into an internal "corporate police" intended to serve primarily as a check on Secretariat officials rather than as an important internal management tool to assist Executive Heads in executing their management responsibilities. The impact on oversight mechanisms is pressure from both Member States and Executive Heads to do more with less resources, inadequate cooperation from Secretariat officials in preparing oversight reports, and lack of attention to reports and definitive action on them by Member States.

74. Correcting this situation requires that more attention at this stage be paid to coherence in the overall conduct of oversight in the System. While new mechanisms still may have to be created and existing ones strengthened, priority should be placed now on making the conduct of oversight more coherent in the sense of making it more logical and consistent, or easily followed. The effectiveness of oversight ultimately depends on it meeting, in a readily comprehensible manner, the needs of its clientele, Member States and, also, Executive Heads. With more coherence and commonality -- or shared attributes -- in United Nations system oversight, Member States would be better able to make comparisons of oversight findings and recommendations from one organization to another. They also would have a better understanding of oversight to assist them in assessing oversight activities and evaluating structures and resource levels assigned to the mechanisms.

75. This improved capacity to assess the effectiveness of, and structures for, conducting oversight would allow Member States to have more comfort and confidence regarding oversight in the United Nations system. And more confidence in the oversight process would be a basis for rebuilding the trust and confidence between Secretariats and Member States that is required for managing properly the change and reform now facing the United Nations system. This, in turn, would help to reduce the tendency toward micro-management which can result from the current lack of full trust between Member States and Secretariats, as well as

relieve Executive Heads of demands from Member States for more reporting and more oversight.

Recommended Measures for More Coherence: Commonality without Uniformity

76. In seeking more coherence for oversight in the United Nations system, an obvious -- but ultimately impracticable and undesirable -- possibility would be to establish a single unified oversight mechanism with a mandate including all organizations of the System. This would appear to assure that oversight elements are conducted in a fully consistent manner throughout the System based on common terms of reference and standards. However, it would be impracticable in view of the legal autonomy of the Specialized Agencies and IAEA. Furthermore, it would not be desirable in view of the benefits of preserving the distinct character of each of the Specialized Agencies and IAEA, as well the United Nations operational funds and programmes.

77. There are means well short of a single unified oversight mechanism for the System as a whole that still would provide sufficient commonality for the increased coherence that is needed in conducting oversight among the organizations of the System. Experience demonstrates that efforts at change and improvement in the United Nations system are realistic only when they allow for adaptation to the special qualities of the different organizations in the System. With this in mind, the measures recommended in the Executive Summary and discussed in the following paragraphs are intended to help give the practice of oversight among the organizations of the System more coherence and foster a common understanding of oversight. The recommendations would do this without directly infringing on the separate and individual characteristics, practices, and traditions of the different organizations which are highly valued by the Member States; they would establish a commonality in implementing oversight without imposing uniformity.

78. The report's recommendations are fully stated in the Executive Summary. These recommendations and the reasoning behind them are discussed in the following paragraphs.

Recommendation 1: Agreed Plans for Conducting Internal Oversight

79. If senior management is the first line in oversight, as indicated in Chapter II, then internal oversight mechanisms are the second since their primary function is to assist senior management in fulfilling their management responsibilities. Chapter III pointed out the great diversity in structural arrangements for conducting the different elements of internal oversight that exists in the United Nations system. While there often are good reasons for this diversity, it adds to the lack of full coherence in oversight for the System and makes it difficult for Member States to make comparisons regarding oversight issues and practices from one organization to another. The lack of comparability regarding internal oversight arrangements among organizations also makes it difficult for Secretariat officials to share information and take full advantage of lessons learned in other organizations.

80. Chapter III also pointed out the need for assuring effective functional coordination in conducting all of the elements of internal oversight. In view of the distinct character of each of the organizations of the System, it would be counterproductive to call for the same internal oversight model for all organizations. Clearly this is not a case where "one size fits all." As discussed in Chapter III, various options for accomplishing functional integration of the elements of internal oversight include a consolidated oversight office, the use of an oversight committee, and supervision of internal oversight by the Office of the Executive Head. Such options, or combinations of them, would not infringe on the legal autonomy of the different organizations and would allow adaptation to the specific characteristics of each organization that should be respected. Experience in the System shows various options can be effective.

81. More important than the specific option chosen for structuring and conducting internal oversight in an organization is the need for the Executive Head of the organization and its Member States to come to an agreed and explicit understanding on the matter. This is the purpose of Recommendation 1 which calls for agreed plans on conducting internal oversight in each of the organizations of the System. Such an agreed plan should address how all five elements of internal

oversight would be handled for an organization. In the event that an Executive Head believes an organization does not need, or cannot afford, a full capacity for conducting a specific element, the reasons for this should be made clear and explicit, and be subject to approval by the Member States. What counts is that there be full transparency about the issue so that Member States have the capacity for making a well informed decision on it.

82. Achieving such agreed plans consistently for each organization would help to give Member States more confidence in the effectiveness and comprehensiveness of oversight for each organization and for the System as a whole. Having such agreed plans worked out in terms of addressing each of the five elements of internal oversight, while not imposing the same model on all organizations, would help to assure more congruence regarding the elements of oversight so it would be easier for Member States to make comparisons from one organization to another. It also would assist Secretariats in sharing information and learning lessons from other organizations about the implementation of the different elements.

Recommendation 2: Reporting on Internal Oversight Activities

83. Reporting to legislative organs on at least some aspects of internal oversight is not new for the United Nations system. Internal evaluation reports long have been provided to legislative organs. In recent years, annual summary reports on other elements of internal oversight, audit and inspection especially, increasingly have been made available to legislative organs. However, these reports currently lack commonality in substance, format, and comprehensiveness, and only OIOS of the United Nations has been providing fully consolidated annual summary reports that cover all five elements of internal oversight.

84. As a result, the partial and inconsistent reporting on internal oversight activities does not give to Member States a good basis for making comparisons among organizations regarding the handling of different issues being addressed in the organizations of the System -- e.g., emergency field operations -- and for making inquiries of Secretariats about such issues in view of experiences in other organizations. Additionally, the current status of reporting on internal oversight activities reduces the ability of Secretariats to share experiences and learn lessons from each other.

85. Recommendation 2 calls for Executive Heads to make available to the appropriate legislative organs consolidated annual summary reports on internal oversight activities that would provide for each organization (a) an overview of the issues addressed and the accomplishments achieved; (b) a record of recommendations made and the status of actions taken on them; and (c) issues or recommendations requiring action by Executive Heads or legislative organs. Addressing each of these areas in terms of the five elements of internal oversight would give the reports a sufficiently common format so that experiences of one organization could be compared more easily with those of others, by both Member States and Secretariats. Recommendation 4, discussed below, would assist in making use of these reports.

86. The information gained from such consolidated annual summary reports would significantly improve the capacity of Member States to fulfill their important share of responsibility for oversight in the United Nations system by assisting them in:

- determining how well and the extent to which Executive Heads are making effective use of internal oversight for fulfilling their management responsibilities;
- assessing the structure of and resource levels allocated to internal oversight units;
- monitoring oversight issues addressed and accomplishments achieved by organizations;
- staying abreast of the status of oversight recommendations, including actions taken -- or not taken -- on them;
- identifying issues and problems requiring action by Executive Heads or legislative organs;
- making comparisons of how similar issues are handled, or not handled, in different

organizations and system-wide; and

- judging the overall coherence and effectiveness of the internal oversight infrastructure, both within each organization and system-wide.

87. Recommendation 2 also calls for legislative organs to decide whether Executive Heads will (a) take responsibility for such reports or (b) make the consolidated annual summary reports available to legislative organs as they are prepared by the internal oversight mechanisms.
If the latter option is chosen, separate comments on the reports that the Executive Heads may deem appropriate would be submitted along with them.

88. These options are presented because of concerns that direct access to the legislative organs by internal oversight mechanisms threatens to blur the distinction between internal and external oversight, to compromise the accountability of internal oversight mechanisms to Executive Heads, and to undermine the ultimate accountability to Member States of the Executive Heads for the management and administration of their organizations.

89. These are serious concerns that deserve attention. As discussed in Chapter II, the distinction between internal and external oversight is important and should be maintained.

90. It also could be argued that the issuance of the consolidated annual summary reports, as prepared by the internal oversight mechanisms without alteration by Executive Heads, would not have the negative effect feared by some due to the intended objective and content of the reports. Senior internal oversight officials who currently submit annual summary reports to their respective legislative organs indicated, in interviews for this report, their belief that such reporting has not transformed them into de facto external oversight officials -- their primary allegiance to their Executive Heads is not questioned. The proposed consolidated annual summary reports would differ from individual internal oversight reports in both objective and content.

91. In terms of objective, the summary reports would be provided to legislative organs for information purposes and not usually call for specific actions; the necessary corrective actions normally would have been taken by the Executive Head or be underway. This is in contrast to individual internal oversight reports that clearly are action documents addressed to Secretariat officials in the best position to take the appropriate corrective actions.

92. In terms of content, the summary reports would provide only an overview of the status of internal oversight activities within the organizations, including an indication of those unique cases requiring action by Executive Heads or legislative organs. In contrast, individual internal oversight reports include the details that are necessary to identify problems and propose solutions convincingly, regarding specific instances in an organization's operations.

93. Thus, this argument would hold that rather than blur the distinction between internal and external oversight, these reports would emphasize the distinction between them. Compared to external oversight reports addressed to Member States for action, these reports clearly would be primarily for informing Member States on the status of internal oversight activities within the organizations. Having the summary reports issued without change by the Executive Heads would help to enhance the independence of the internal oversight officials within the Secretariats, consistent with the Standards for the Professional Practice of Internal Auditing promulgated by the Institute of Internal Auditors.[21] This would not bring into question their accountability to the Executive Heads since their primary function would continue to be that of serving as an internal management tool of the Executive Heads, as confirmed by interviews with senior United Nations system internal oversight officials. In view of this, it can be argued there is no reason to believe that the issuance of these reports would displace the full accountability of Executive Heads to the Member States for the management and administration of their organizations.

94. Reports of internal oversight mechanisms to a legislative organ should indicate which of their recommendations the Executive Head believes are

for information purposes only and which the Executive Head believes require action by an appropriate legislative organ. This would help clarify how Member States should consider such reports.

Recommendation 3: Highlighting Good Practices

95. Moving beyond assuring compliance and serving the police function of identifying fraud, there is a growing emphasis in oversight on becoming more proactive in facilitating management improvements and fostering a more vigorous accountability culture.

96. One important area for this more proactive role of oversight -- especially in the United Nations system -- is that of identifying good practices, i.e., processes, practices, and systems that are widely recognized as improving an organization's performance and efficiency. Oversight mechanisms are playing an increasingly greater role in reform efforts of the System, which put them in a good position for identifying initiatives that result in increased efficiency and effectiveness, and for analysing the reasons for the success of these initiatives. Recommendation 3 calls for United Nations system internal and external oversight units to include in their reports an indication of good practices that they have identified in the course of their work which could be of benefit to other units in the same organization and/or other organizations in the System.

97. This would be especially useful in the United Nations system because the broad range of programmes and geographic areas covered by United Nations system activities offers significant opportunities for different organizations to learn from each other. More identification of good practices and taking advantage of them, would foster a culture of more openness and cooperation among organizations.

Recommendation 4: JIU Analyses of Consolidated Annual Summary Reports on Internal Oversight Activities

98. Recommendation 4 calls for JIU periodically to include in its programme of work an overall analysis of the consolidated annual summary reports on internal oversight activities of the different organizations that would result from approval of Recommendation 2.

99. Drawing on the Unit's system-wide perspective, these analyses would identify problems or issues, both within specific organizations and system-wide, about which Member States may want to seek further information and consideration from Executive Heads and/or external oversight mechanisms. They also would serve to facilitate dissemination of information about good practices by calling attention to reported instances of the successful handling of issues or problems that could be of benefit to other organizations.

100. By combining into a single document an overall review and analysis of the consolidated annual summary reports from each of the organizations of the System, JIU analyses would assist Member States in fulfilling their share of responsibility for oversight and also help reduce the "oversight indigestion" experienced by Member States.

Recommendation 5: Fostering a Stronger Professional Oversight Community

101. Growing Member State expectations for increased effectiveness and efficiency from oversight mechanisms, coupled with the scarcity of resources, has led oversight professionals in the System to explore new ways for increasing productivity and coverage.

102. Increasingly, a professional community is developing among those United Nations system officials responsible for audit, and more recently, evaluation. The annual meetings of the RIAS, the IAWGE, and the Panel of External Auditors have been instrumental in this regard. However, opportunities for further enhancing the sharing of data, information, working methods and ideas -- and extending this practice to other elements of oversight -- should be encouraged. This is the purpose of Recommendation 5.

103. Examples of specific initiatives that could result from a more effective community of oversight professionals would include:

- Subject to requirements for confidentiality, the development of shared databases, including methodologies, common data, recommendations, and accomplishments which could improve overall quality and consistency of oversight work.

- The exchange or posting of work programmes and mission schedules, where appropriate, which would assist in avoiding duplication and overlap, and in creating opportunities for collaborative/ complementary projects. As noted, JIU, the United Nations Board of Auditors, and OIOS recently have initiated procedures for regular consultations toward this end.

- Joint training and exchanges of personnel among oversight mechanisms which would allow for economies of scale, take advantage of experiences gained in other organizations, and foster more system-wide awareness.

- Following the example set by RIAS and the Panel of External Auditors for internal and external audit, the formulation of common terms of reference and standards for the other elements of oversight which would assist Member States in making comparisons among organizations regarding non-audit oversight analyses and findings, and also reassure staff about a perceived lack of transparency regarding oversight to which they may be subject.[22]

104. Greater use of modern information technology could be a most effective means for fostering a stronger community of oversight professionals. Although increasing numbers of United Nations system organizations are using their own home pages on the INTERNET for disseminating information that once was available only in hard copy, most United Nations system internal and external oversight mechanisms do not maintain home pages and are not making extensive use of the home pages of their organizations. However, OIOS and ILO do maintain websites with information on oversight activities generally; UNDP and UNICEF maintain websites for evaluation activities. The World Bank maintains an INTERNET website called "The Global Auditor," which allows for exchanges among auditors of the System, but it is limited to audit and requires a pass-word for access to it. More effective use of information technology by oversight mechanisms would facilitate dissemination of the outputs of oversight work, make it more transparent and help to stimulate more active sharing of the responsibility for oversight.

Recommendation 6: More Dialogue Among Oversight Partners

105. Chapter II made the point that oversight in the United Nations system is a shared responsibility requiring an active partnership among (a) Member States; (b) senior management in the Secretariats, including their internal oversight officials; and (c) the external oversight mechanisms. All three partners have to fulfill their roles in order for oversight to be effective. In particular, there must not be an over-reliance on the oversight mechanisms, neither external nor internal, as a panacea for correcting shortcomings in the United Nations organizations.

106. Efforts by the oversight mechanisms toward more dialogue with Member States and Secretariats on oversight issues and practices would encourage more active sharing in the responsibility for oversight. This is what is called for by Recommendation 6.

107. Increased dialogue among the partners would add to mutual understanding and awareness of oversight processes, of concerns to be addressed, and of relationships among the different roles of the oversight mechanisms. Establishing a culture of open dialogue among the partners of the oversight process would be important for maintaining informed interest in oversight and for assuring the continued accountability of oversight mechanisms.

Conclusion

108. The United Nations system is in a difficult period of change and reform, the difficulty of which has been compounded by an insufficient trust and confidence between Member States and Secretariats. As suggested in the statement of the Chairman of ACABQ quoted at the opening of Chapter I of this report, properly managing this process of change and reform requires rebuilding a

sense of trust and confidence between Member States and Secretariats, with each playing their proper legislative and executive roles. Enhanced oversight for the System could be an important means toward this end by giving Member States more assurance that the administration and management of the organizations are being reviewed professionally which, in turn, would help to reduce the disabling practice of micro-management.

109. The starting point for achieving enhanced oversight is to focus on the coherence of oversight within the United Nations system so that all three partners will play their necessary roles in the shared responsibility for it. In summary form, the measures recommended for more coherence of oversight in the System are the following:

- Agreed plans for conducting internal oversight to give Member States more awareness/assurance that the different elements of oversight are being adequately covered, or why they are not in a specific organization, without imposing a specific structural arrangement on any organization.

- Reporting on internal oversight activities to help Member States make comparisons among organizations of the System and take advantage of lessons learned from others.
- Highlighting good practices in oversight reports to encourage more system-wide sharing, cooperation, and use of lessons learned, as well as to draw attention to successes in United Nations system operations.

- JIU analyses of the consolidated annual summary reports on internal oversight activities to put the reports in a system-wide perspective and assist in using them for identifying system-wide problems and good practices.

- Fostering a stronger professional oversight community to further strengthen the professionalism of oversight officials, encourage more complementarity of efforts, achieve efficiencies in implementing oversight, and avoid overlap and duplication among oversight mechanisms.

- More dialogue among oversight partners to increase awareness of oversight processes and the need for active participation of all three partners, and to enhance the effectiveness of the conduct of oversight which would help reduce micro-management.

110. Implementation of these measures, by making oversight in the United Nations system more coherent, would assist in rebuilding the sense of trust and confidence among Member States and Secretariats that is required for success in managing the process of change and reform now facing the United Nations system.

NOTES

[1] "Accountability and oversight in the United Nations Secretariat" (JIU/REP/93/5), reproduced in A/48/420 and Add. 1/Corr.1. "Accountability, management improvement, and oversight in the United Nations system" (JIU/REP/95/2), reproduced in A/50/503.

[2] "Enhancing the internal oversight mechanisms in operational funds and programmes" (A/51/801).

[3] Document A/51/674.

[4] The Latin America and Caribbean Group endorsed the content of the JIU note (A/51/674) in a paper entitled, "United Nations system oversight mechanisms" (26 March 1997). Shared responsibility for oversight generally was an agreed conclusion at a symposium on oversight in the United Nations organizations in Montreux, Switzerland, 9-10 October 1997, organized by the Swiss Federal Department of Foreign Affairs.

[5] "Auditing Standards", Auditing Standards Committee, International Organization of Supreme Audit Institutions, June 1992.

[6] As stated by United Nations Under-Secretary-General Joseph E. Connor at the Montreux symposium on oversight in United Nations organizations, cited above.

[7] See discussion of these elements in Chapter III (paras. 32-53 below) and of developing agreed plans for conducting internal oversight in Chapter IV (paras. 79-82 below).

[8] Article 5.5 of the Joint Inspection Unit Statute states that the Inspectors "shall not, however, have the power of decision, nor shall they interfere in the operations of the services they inspect." United Nations General Assembly resolution 74 (I) of 7 December 1946, which established the United Nations Board of Auditors, states that "The Auditors shall have no power to disallow items in the accounts, but shall recommend to the Secretary-General for appropriate action such disallowances the Board is prepared to recommend to the General Assembly . . ." (para. (h) (x)).

[9] See para. 31 in the "Auditing Standards" (note 5 above) that states, "It is the responsibility of the audited entity to develop adequate internal control systems to protect its resources. It is not the auditor's responsibility. . . .However, this does not relieve the auditor from submitting proposals and recommendations to the audited entity where controls are found to be inadequate or missing."

[10] An alternative definition for inspection is used by UNHCR that is more oriented toward management reviews of specific field offices and regions according to a pre-arranged timetable and work programme. This is more in line with the systematic and regular reviews conducted in the various Foreign Services of many Member States.

[11] JIU/REP/95/2 (note 1 above), para. 27.

[12] In the United Nations, as outlined in article V of "Regulations and Rules Governing Programme Planning, the Programme Aspects of the Budget , the Monitoring of Implementation and the Methods of Evaluation" (ST/SGB/PPBME/Rules/1(1987)), management has the primary responsibility for monitoring and establishing monitoring systems. A central oversight unit is responsible for reporting.

[13] JIU/REP/93/5 (note 1 above), paras. 153-164.

[14] While ILO and WIPO consolidate the supervision of all five elements of internal oversight in one office, that office also has operational responsibilities unlike the case for OIOS in the United Nations.

[15] "Review of the Efficiency of the Administrative and Financial Functioning of the United Nations" (A/49/633, para. 8).

[16] Joint Inspection Unit Statute, United Nations, Geneva, 1978.

[17] Annex to the Financial Regulations, Financial Regulations and Rules of the United Nations (ST/SGB/Financial Rules/1/Rev.3 (1985)), paras. 6 (c) (i) and (ii).

[18] There was no IAWGE meeting in 1997 due to new assignments for its leadership, but the IAWGE met in June 1998.

[19] This point was reflected in the paper cited above in note 4. This also was reflected in discussions by representatives of Member States at the Montreux symposium on oversight in the United Nations organizations, cited above (ibid.).

[20] The concern about Member States not making good use of oversight findings and their "oversight indigestion", i.e., their need for more quality and relevance in oversight reports rather than more reports, was expressed at the Montreux symposium on oversight in the United Nations organizations cited above in note 4.

[21] "The director [of the internal auditing department] should have direct communication with the board [of directors]. Regular communication with the board helps assure independence. . ." (Para. 110.2.) "The director of internal auditing should submit activity reports to senior management and to the board annually or more frequently as necessary. Activity reports should highlight significant audit findings and recommendations and should inform senior management and the board of any significant deviations from approved work schedules, staffing plans, and financial budgets, and the reasons for them." (Para. 110.6.) Standards for the Professional Practice of Internal Auditing, The Institute of Internal Auditors, Altamonte Springs, Florida, 1997.

[22] The IAWGE is giving active consideration to the development of common guidelines for monitoring and evaluation.

Annex

BRIEF DESCRIPTION OF HOW INTERNAL OVERSIGHT IS CONDUCTED IN UNITED NATIONS SYSTEM ORGANIZATIONS

United Nations, Specialized Agencies, and IAEA

United Nations. The Office of Internal Oversight Services (OIOS) has responsibility for conducting all five elements of internal oversight. The Office is headed by an Under-Secretary-General, who reports to the Secretary-General. The Office consists of: the Audit and Management Consulting Division; the Investigations Section; the Evaluation Unit; and the Monitoring and Inspection Unit. The head of each reports directly to the Under-Secretary-General for OIOS. The Under-Secretary-General prepares an annual summary activity report that the Secretary-General submits to the General Assembly, with his own separate comments attached. The Under-Secretary-General also may make individual reports available to the General Assembly, again with the separate comments of the Secretary-General. The Office provides copies of its reports to the United Nations Board of Auditors and JIU, and each may comment, as appropriate, on them for the General Assembly.

ILO. The Bureau for Programming and Management has responsibility for conducting all five elements of internal oversight. The Bureau is headed by a D-2, who reports directly to the Director-General. Responsibility for oversight is divided among three units in the Bureau, with Internal Audit responsible for audits, inspection and investigations; the Programme and Project Evaluation Unit responsible for evaluations; and the Programme Planning Unit responsible for monitoring. While the Chief Internal Auditor is in the Bureau for administrative purposes, he has total autonomy and independence in his work and direct access to the Director-General. Monitoring activities are conducted by programme managers, with the Bureau responsible for coordinating and establishing relevant policy and guidance. The Internal Auditor submits an annual report on major findings to the Governing Body, and the Programme and Project Evaluation Unit provides regular reports to the appropriate committees of the Governing Body. In addition, the Bureau produces a number of reports and studies for review by legislative organs. The Bureau does not provide, per se, an annual oversight report to the ILO Governing Body. The Internal Auditor provides copies of individual audit reports to the external auditor, currently the Comptroller and Auditor General of the United Kingdom.

FAO. The Office of Inspector-General, headed by a D-2 Inspector-General who reports directly to the Director-General, is responsible for audit, inspection and investigation; the Office of Programme, Budget and Evaluation, headed by a D-2 who reports directly to the Director-General, is responsible for evaluation; and within the Technical Cooperation Department, the Senior Field Operations Inspector is responsible for conducting inspections. Responsibility for monitoring is shared by three units--the Office of Programme, Budget and Evaluation is responsible for overall programme and financial monitoring; the Technical Cooperation Department for overall field programme monitoring; and the Field Operations Division for field project operations monitoring. No formal mechanism coordinates all five elements of oversight in FAO; each unit relies on informal exchange of information where appropriate. The Inspector-General provides an annual summary of activities to the Finance Committee and the Evaluation Service in the Office of Programme, Budget and Evaluation provides evaluation reports to the Programme Committee, Council, and Conference. Copies of internal audit reports are made readily available to the external auditor, currently the Cour des Comptes de France, on request.

UNESCO. The Inspectorate-General, headed by a D-2, is responsible for audit, inspection and investigation; the Central Programme Evaluation Unit, headed by a D-1, is responsible for conducting evaluations and coordinating monitoring activities, which are conducted by programme managers. The Inspectorate-General reports directly to the Director-General, while the Director of the Central Programme Evaluation Unit reports to the Director of the Bureau of Studies, Programming and Evaluation. The Inspectorate-General coordinates all audit, inspection, and investigation activities, and coordinates with the Central Programme Evaluation Unit on an informal basis. The Inspectorate-General does not provide an annual summary of internal oversight activities to the governing body; however, the Central Programme Evaluation Unit does submit reports to the governing body. The Inspectorate-General provides copies of individual audit reports to the external auditor, currently the Office of the Auditor General of Canada.

ICAO. The Office for Programmes Evaluation, Audit, and Management Review is responsible for audit and evaluation. The head of the Office is a D-1, who reports directly to the Secretary-General. Responsibility for the oversight elements is divided among a) the Audit Officer responsible for conducting audits; b) the Evaluation Officer responsible for evaluation studies, as well as developing guidance and policy; and c) the Information Management Officer responsible for developing control standards for information systems and managing a system of internal evaluation of automation projects. Monitoring is conducted by programme managers subject to guidance from the Office. ICAO does not have units for conducting inspections or investigations. The Office submits an annual performance assessment report to the Secretary-General for transmittal to the ICAO Council. The Chief of the Office provides copies of individual audit reports to the external auditor, currently the Office of the Auditor General of Canada.

WHO. The Office of Internal Audit and Oversight is responsible for audit, inspection and investigation. The Office is headed by a D-1 who reports to the Director-General. The Unit of Development of Programme Evaluation is responsible for developing guidance and policy for harmonizing evaluation and monitoring efforts throughout the organisation, both of which are conducted by the various programme divisions. The head of the Unit is a P-6, who reports to the Director of the Division of Development of Policy, Programme and Evaluation. There is no formal mechanism for coordinating all five elements of oversight at the WHO. The Chief Internal Auditor (1) submits an annual summary activity report to the appropriate legislative organs, through the Director-General; (2) can request to send them any individual audit report, through the Director-General; and (3) provides copies of individual audit reports to the external auditor, currently the Office of the Auditor General of South Africa. The Unit of Development of Programme Evaluation also submits an annual summary activity report to the legislative organ.

UPU. A part-time internal auditor, who reports directly to the Director-General, is responsible for audits and, to a very limited degree, investigations. The Finance Unit is responsible for evaluations. UPU does not have a unit to conduct inspections. The Union has no monitoring system and relies upon a quarterly internal report for budget and programmes, as well as a "total quality management" programme, to conduct evaluations. There is no reporting of internal oversight activities to the legislative organ; the internal auditor provides copies of his reports to the external auditor, currently the Swiss Federal Audit Office.

ITU. The internal auditor (P-4), who reports directly to the Secretary-General, is responsible for audits, inspections and investigations. No unit has responsibility for establishing policy and procedures regarding evaluations and monitoring, which are conducted by general and project managers. The internal auditor does not provide an annual activity report to the legislative organ, but does communicate the results of his/her work to the external auditor, currently the Swiss Federal Audit Office.

WMO. The Internal Audit and Investigation Service was established recently (1997) and is responsible for conducting audits, inspections, and investigations. The Chief, a P-5, reports directly to the Secretary-General. Monitoring is the responsibility of individual programme managers. WMO does not have an evaluation unit. The Chief of the Internal Audit and Investigation Service is to submit an annual activity report to the legislative organ, through the Secretary-General who may attach his/her comments. Copies of internal audit reports are given to the external auditor, currently the Cour des Comptes de France.

IMO. The internal auditor (P-4), within the Office of the Secretary-General, is responsible for conducting audits; the Evaluation Unit, also within the Office of the Secretary-General, headed by a P-4, conducts evaluations. Coordination between the two is done within the Office of the Secretary-General. IMO has no units for conducting investigations, inspections and monitoring; however, as the need arises, the Secretary-General establishes an enquiry committee, on an ad hoc basis, to investigate and report to him. Programme managers, who report to the respective directors in charge of major programmes, are directly responsible for monitoring. The directors submit quarterly reports to the Secretary-General. Neither the internal auditor nor evaluation unit provides reports to the legislative organ. Copies of internal audit reports are made available to the external auditor, currently the Comptroller and Auditor General of the United Kingdom.

WIPO. In 1998, the Office of Internal Oversight and Productivity was established and has responsibility for conducting all five elements of oversight. The Office is headed by the Controller, a D-1, who reports to the Director-General and is also directly responsible to the Chairman of the WIPO General Assembly. The Office consists of: the Controller and Deputy Controller; the Internal Auditor, who performs audit, inspections and investigations; the Budget Section, which prepares the programme and budget documents and monitors implementation; and the Evaluation and Productivity Unit, which reviews the performance and efficiency of operations in all areas of the organization. The head of each unit reports directly to the Controller. The Budget Section and the Evaluation and Productivity Unit plan to prepare annual summary reports, for submission to the legislative organ. Currently, the Swiss Federal Audit Office is the external auditor.

UNIDO. The Office of Internal Oversight, headed by a D-1, conducts audits, investigations and inspections, and reports directly to the Director-General. (Audit and inspection are not clearly distinguished in UNIDO.) The Evaluation group, headed by a D-1, is responsible for evaluation, which is strategically guided by the Office of Internal Oversight. The Programme Monitoring unit, headed by a P-5, is responsible for monitoring activities, and reports to the Director of the Executive Office, who reports to the Director-General. The Office of Internal Oversight and the Executive Office work closely together on common issues. There are no formal means for coordination; coordination between the units responsible for conducting oversight is handled on an informal basis, as needed. The Office of Internal Oversight provides a summary of its audit, inspection and investigation activities to the legislative organ and copies of individual audit reports to the external auditor, currently the Federal Court of Audit of Germany. The Evaluation group provides a summary of its activities to the legislative organ, as well as reports on individual findings of programme evaluations initiated by the legislative organ. The Programme Monitoring unit provides to the legislative organ an individual annual summary report. These summaries are included as part of the Director-General's annual report.

IAEA. The Office of Internal Audit and Evaluation Support, headed by a D-1, is responsible for audits, inspections, and investigations, and reports directly to the Director-General. A unit within the Office, headed by a P-5, is responsible for co-ordinating all activities related to IAEA's Programme Performance and Assessment System, which is an integral part of the management system designed to monitor programme performance and impact through regular programme reviews and evaluations. Evaluation is conducted by several units. A specialized unit under the Division of Planning, Co-ordination and Evaluation, within the Department of Technical Co-operation, headed by a P-5, undertakes evaluations of technical co-operation projects. Another specialized unit, within the Department of Safeguards, headed by a P-5, under the Head of the Department, evaluates the effectiveness of the safeguards inspections. The Office of the Director General co-ordinates all oversight activities. The results of oversight activities are not reported to the legislative organs in a consolidated report. Instead the results of the technical co-operation evaluations are reported in summary form to the legislative organs and the results of the safeguards inspection evaluations are incorporated in the Annual Safeguards Implementation Report submitted to the legislative organs. The Office of Internal Audit and Evaluation Support does not present an annual activity report to the legislative organ, and instead submits reports to the Director General and copies of such reports are make available to the external auditor, currently the Comptroller and Auditor General of the United Kingdom.

United Nations Operational Funds and Programmes

International Trade Centre (ITC). OIOS has responsibility for providing audit, investigation and inspection services. The OIOS Audit and Management Consulting Division conducts audits; the OIOS Investigations Section conducts investigations; and the OIOS Central Monitoring and Inspection Unit conducts inspections. The Corporate Strategy and Quality Assurance Unit, within the Office of the Executive Director, is responsible for both evaluation and monitoring activities. There is no formal mechanism for coordinating all five elements of oversight at ITC. OIOS coordinates with the Division of Administration on audit matters, while the Corporate Strategy and Quality Assurance Section coordinates the evaluation and monitoring elements. Summaries of the audit, investigation and inspection activities conducted by OIOS are included in its annual report for the General Assembly. The results of evaluation activities are included in the Executive Director's annual report, and evaluation reports also are sent to donors. OIOS also shares audit reports with the United Nations Board of Auditors, the external auditor.

United Nations Centre for Human Settlements (UNCHS/Habitat). Oversight is conducted by several internal units and OIOS. The OIOS Audit and Management Consulting Division provides audit services and the OIOS Central Monitoring and Inspection Unit provides inspections. An internal UNCHS panel, appointed by and reporting to the Executive Director, handles all investigations. A P-4 evaluation officer, within the Office of the Director, is responsible for conducting evaluations and monitoring. The Office of the Executive Director supervises all elements of internal oversight, and ensures functional coordination. Where appropriate, OIOS includes a summary of audit, evaluation, and inspection results in its annual report to the General Assembly. OIOS also shares audit reports with the United Nations Board of Auditors, the external auditor.

United Nations International Drug Control Programme (UNDCP). Oversight is conducted by several internal units and OIOS. The OIOS Audit and Management Consulting Division provides audit services and the OIOS Central Monitoring and Inspection Unit works with UNDCP's Programme Support Service in providing inspections. The Programme Support Service, headed by a D-1, reports directly to the Executive Director and is also responsible for investigations. Monitoring activities are conducted by various units, with the Planning and Evaluation Section responsible for developing and ensuring adherence to the policies for evaluation and monitoring performance and the Operations Branch responsible for monitoring, analysing and reporting on programme activities. The Office of the Executive Director coordinates the work of oversight. OIOS includes coverage of UNDCP audit work in its annual report to the General Assembly; both the Programme Support Service and Operations Branch provide reports to the Executive Director, but no reports are sent to the General Assembly. OIOS shares its audit work with the United Nations Board of Auditors, the external auditor.

United Nations Development Programme (UNDP). The Office for Audit and Performance Review is responsible for audit, inspection and investigation services. The Office is headed by a D-2, who reports directly to the UNDP Administrator. The Evaluation Office, headed by a D-2 and located within the Office of the Administrator, is responsible for conducting evaluations and monitoring. There are no formal means for structuring internal coordination of internal oversight activities; the units rely on informal exchanges of information. The Director of the Office for Audit and Performance Review submits an annual summary of activities to the Executive Board, while the Office of Evaluation prepares reports for both the Administrator and the Executive Board on evaluation and monitoring activities. (The Executive Board has requested a separate evaluation report.) The Office of Audit and Performance Review shares its reports with the United Nations Board of Auditors, the external auditor.

United Nations Environment Programme (UNEP). Oversight is conducted by OIOS and internal UNEP units. The OIOS Audit and Management Consulting Division provides audit services; the OIOS Investigations Section provides investigation services; and OIOS Central Monitoring and Inspection Unit provides inspection services. UNEP's Project Design and Evaluation Unit is responsible for providing evaluation services. The unit is headed by a P-5 who reports to the Deputy Executive Director. Monitoring, within UNEP, is conducted by various units and is structured along thematic lines. Specifically, the Accountability, Monitoring and Reporting Unit handles all programmatic monitoring; the Fund Programme Management Branch monitors all project finances, implementation of individual projects, and outputs; and the Programme Support Services monitors regular budget expenditures and programme support costs. The Chiefs of the Accountability, Monitoring and Reporting and the Fund Programme Management Branch report to the Executive Director. There are no formal means for coordinating internal oversight activities; the units rely on informal exchanges of information. OIOS includes in its annual report a summary of UNEP activities for which it is responsible, including audit, investigation and inspection services. The Project Design and Evaluation Unit prepares an annual evaluation report, which is submitted to the legislative organ. The Fund Management Branch provides reports to the legislative organ on a monthly basis and the Programme Support Services reports to the legislative organ on a monthly basis also. OIOS shares UNEP audit reports with the United Nations Board of Auditors, the external auditor.

United Nations Population Fund (UNFPA). The UNFPA Internal Audit Section of UNDP's Office of Audit and Performance Review provides audit, inspection and investigation services to UNFPA. The Section is headed by a P-5, who reports to the Director of the UNDP Office of Audit and Performance Review, who reports to the UNFPA Executive Director. The Office of Oversight and Evaluation, headed by a D-1 who reports directly to the Executive Director, is responsible of conducting evaluations. Monitoring is conducted by various units and supervised by the geographical divisions at headquarters and in the country offices. Coordination of internal oversight activities is done by the Executive Committee, which is constituted of all senior management, including oversight units. The UNDP Office of Audit and Performance Review submits an annual report covering UNFPA audit, investigation and inspection activities to the Executive Board. The Office of Oversight and Evaluation submits a biennial evaluation report to the Executive Board, and mid-term country programme reviews are submitted to the legislative organ by the geographical divisions. UNFPA audit reports are shared with the United Nations Board of Auditors, the external auditor.

Office of the United Nations High Commissioner for Refugees (UNHCR). The UNHCR Section of the OIOS Division of Audit and Management Consulting provides audit services. This Section, headed by a D-1, communicates audit results to the High Commissioner, but reports to the head of OIOS. UNHCR's Inspection and Evaluation Service, headed by a D-2 and located within the Executive Office of the High Commissioner, conducts investigations, evaluations and inspections. Monitoring is conducted by various units throughout the organization with responsibility assigned at the field level; therefore field staff play a major role in monitoring programme implementation and report to the headquarters divisions. UNHCR relies on an Oversight Committee, chaired by the Deputy High Commissioner, to coordinate internal oversight activities. All heads of internal oversight units are members of the Committee. A summary of audits is submitted to the legislative organ through the annual report of OIOS, which is a public document. The results of investigations are not reported to legislative organs, but only to the High Commissioner. The Inspection and Evaluation Service submits an annual activities report to the legislative organ. All monitoring reports are submitted to Executive Committee. In addition, the Inspection and Evaluations Service provides quarterly inspection and evaluation reports to the Standing Committee. The results of UNHCR audits are shared with the United Nations Board of Auditors, the external auditor.

United Nations Children's Fund (UNICEF). The Office of Internal Audit, headed by a D-2 who reports directly to the Executive Director, is responsible for audits, investigations, and inspections. The Division of Evaluation, Policy and Planning, headed by a D-2 who reports directly to one Deputy Executive Director, is responsible for formulating evaluation policies, procedures and methodologies, and for conducting thematic and strategic evaluations. Monitoring is conducted by programme officers and monitoring/evaluation officers in country and regional offices, and headquarters divisions who report to the Deputy Regional Directors and the Director of the Division of Evaluation, Policy and Planning. UNICEF relies on an Audit Committee, chaired by the Executive Director, to coordinate the work of internal oversight activities. This Committee is composed of the two Deputy Executive Directors and six division Directors, including the directors of oversight units. The Office of Internal Audit provides reports to the Executive Board in special circumstances, through the Executive Director, and will be issuing a summary of internal audit activities beginning in 1998. The Director of the Division of Evaluation, Policy and Planning submits an annual statement to the Executive Board and ad hoc reports. The Office of Internal Audit shares its reports with the United Nations Board of Auditors, the external auditor.

United Nations Institute for Training and Research (UNITAR). The OIOS Audit and Management Consulting Division provides audit services; the OIOS Investigations Section provides investigation services; and the OIOS Central Monitoring and Inspection Unit provides inspection services. UNITAR has no specific units for coordinating monitoring or conducting evaluations. A summary of UNITAR's audit, investigation and inspection activities are included in the annual report of OIOS submitted to the General Assembly. OIOS shares the results of UNITAR audit work with the United Nations Board of Auditors, the external auditor.

United Nations Office for Project Services (UNOPS). The UNDP Office of Audit and Performance Review conducts audits, investigations and inspections. Evaluation is decentralized to the level of the project/programme funding organization and monitoring is done by the Division of Planning, Policy, and Information and by the Division of Finance. The heads of both divisions report directly to the Executive Director. There are no formal means for coordinating internal oversight activities; units rely on informal exchanges of information. The Office of Audit and Performance Review submits an annual report of UNOPS audit, investigation and inspection activities to the Executive Board. There is no external reporting of monitoring and evaluation activities. UNOPS internal audit reports are shared with the United Nations Board of Auditors, the external auditor.

United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA). The Internal Audit Office, headed by a P-5 who reports to the Commissioner-General of UNRWA, provides audit, investigation, and inspection services. A Board of Inquiry, an ad hoc working group, or a joint disciplinary committee, also can be established, when appropriate, to deal with investigations. Monitoring and evaluation are conducted by programme managers; no central unit coordinates or establishes monitoring policy and guidance. There are no formal means for coordinating internal oversight activities; units rely on informal exchanges of information. There is no reporting to legislative organs on internal oversight activities.

United Nations University (UNU). The OIOS Audit and Management Consulting Division provides audit services; the OIOS Investigations Section provides investigation services; and the OIOS Central Monitoring and Inspection Unit provides inspection services. Evaluations are conducted by external experts; there is no unit for coordinating or establishing monitoring policy and guidance. There are no formal means for coordination between OIOS and external experts conducting evaluations. OIOS includes a summary of audit, investigation and inspection results in its annual report to the legislative organs and external experts submit their evaluation reports to the UNU Rector, who presents them to the UNU Governing Council. OIOS also shares audit reports with the United Nations Board of Auditors, the external auditor.

World Food Programme (WFP). The Office of Internal Audit, headed by a D-1 within the Executive Office of the Executive Director, conducts audits. The Office of Evaluations, headed by a D-1, within the Executive Office of the Executive Director, conducts evaluations. The Office of Inspections and Investigations, headed by a D-1 within the Executive Office of the Executive Director, conducts inspections and investigations. The regional bureaux conduct and coordinate monitoring activities. Functional coordination of the oversight units is achieved in that all oversight units are located within the Executive Office of the Executive Director and directly supervised by the Deputy Executive Director. The Office of Evaluations submits individual reports to the Executive Board, and the Office of Inspection and Investigation submits an annual summary of its activities to the Executive Board. There is no reporting to legislative organs by the Office of Internal Audit. Internal audit reports are shared with the Cour de Comptes of France, the external auditor. (WFP is a programme established jointly by the United Nations and FAO and therefore is distinguished from other operational funds and programmes.)